OVERSIGHT OF THE 2000 CENSUS: REVIEW OF CENSUS BUREAU PLANNING AND PREPARATIONS IN RESPONSE TO THE FEDERAL COURT RULING THAT SAMPLING IS ILLEGAL

HEARING

BEFORE THE

SUBCOMMITTEE ON THE CENSUS

OF THE

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTH CONGRESS

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WEDNESDAY, SEPTEMBER 9, 1998

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE CENSUS,
COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT,
Washington, DC.

The subcommittee met, pursuant to notice, at 1 p.m., in room H1–114, O'Neill House Office Building, Hon. Dan Miller (chairman of the subcommittee) presiding.

Present: Representatives Miller, Davis of Virginia, Snowbarger, Maloney, and Waxman.

Staff present: Thomas B. Hofeller, staff director; Thomas W. Brierton, deputy staff director; Jennifer Safavian, chief counsel; Timothy Maney, chief investigator; Lara Chamberlain, Erin Scanlon, and Kelly Duquin, professional staff members; Phil Schiliro, minority staff director; David McMillen and Mark Stephenson, minority professional staff members; and Ellen Rayner, minority chief clerk.

Mr. MILLER. Good afternoon. A quorum is present and the Subcommittee on the Census will come to order. Let me begin with opening statements by myself and my ranking member, and then we will proceed to the opening statements by Director Holmes and Mr. Shapiro.

I want to welcome everyone to the latest hearing of the Subcommittee on the Census. I want to thank the Members for coming back early so we can hold this important hearing on the state of preparations for the 2000 census.

We are here today, as in the past, to demonstrate our unwavering commitment to making our 2000 census the most accurate in the Nation's history. Congress has an important obligation to eliminate the undercount from the 2000 census within the bounds of the Constitution and the rule of law. As this and other hearings will demonstrate, we take that obligation very seriously. The Speaker is on record that Congress will provide the Bureau with the resources it needs to conduct an actual enumeration as required by the Constitution and the Census Act.

Because of legal action taken by the House of Representatives against the Clinton administration's illegal sampling scheme, the 2000 census has been saved. This fact cannot be overemphasized.

In fact, the court itself recognized the critical timing of the case, writing in the unanimous decision. "If judicial review must be deferred until after the 107th Congress is seated, the possibility of irreparable harm, both monetary and nonmonetary, is likely, if not certain."

The implication here is crystal clear. Had we allowed the administration's plan to go forward, a court ruling against sampling after the 2000 census was completed would have been devastating to the Nation at a total cost of more than $10 billion. Thankfully the leadership of the House recognized their constitutional obligation to conduct a legal census and took action. The leadership in the House is to be commended.

Despite the efforts of the House to conduct a legal, constitutional census and the support of a unanimous consent three-judge panel, the 2000 census is still at risk. At risk because the administration is still preparing for an illegal sampling census despite a Congress and a special three-judge panel which have said no. This is of grave concern to Congress and is why we are here today.

It is time to put the issue of sampling to bed. If the administration and the congressional Democrats want to revive this fight another day, then so be it. But now is the time to put differences aside and work together to improve the 2000 census and make it the most accurate count ever.

So I hope this hearing marks the beginning of a new relationship. I hope that if everyone in this room commits themselves to working together on the full enumeration and placing the resources, brain power and hard work toward that approach, we can still have a successful 2000 census.

I'd like to send a clear message to the outside groups that support sampling. It is now time to come and work with Congress, with the majority. No one here will ask that you denounce sampling. Just recognize that the court and the Congress have spoken and that we will have an actual enumeration for the purposes of positive apportionment in the 2000 census. I have chosen these words carefully, the issue of sampling is an issue of apportionment of representatives; not, I repeat not, the distribution of Federal aid.

I have instructed my staff in the coming weeks to reach out to the various pro-sampling groups and solicit input on how to reduce the undercount in their affected communities. Congress needs your help to make the 2000 census the most accurate ever.

I understand that at a press conference yesterday many of these groups seemed unwilling to work with Congress to repair the undercount except by using sampling. This is unfortunate and clearly not in the best interest of their representative groups. To fight an uphill battle for sampling and blindly supporting an administration on the brink of ruin is dangerous. Every day, week or month wasted on sampling irreparably delays the ability of Congress and the Census Bureau to put in place new and improved enumeration techniques that will serve to reach the undercounted.

I happily extend the olive branch to these groups and openly today seek their help in developing innovative legal strategies to reach those undercounted in their communities. To wait until the Supreme Court rules on this issue, I believe is unwise. The time

for us to work together is now, not the late winter or spring when valuable time will have been lost.

I don't expect the administration to concede on the sampling issue. The political problems of the President have so consumed the White House that they are only concerned with their political survival, as tenuous as it is at this moment.

So today is the day for Congress and other groups to move forward to make a full enumeration the top priority for Republicans and Democrats, Congress and the administration. If we work together and reach out, we can reduce the undercount and restore trust and deliver a fair, accurate and trusted census for the American people.

Toward that end, I called this hearing today to learn the status of the preparations for a full enumeration. Congress needs to know how seriously this administration has been preparing to conduct a full count. Reports in the media indicate the administration's defiance of Congress and the court. I read that preparations continue to go forward for a sampling census.

Furthermore, the intense partisanship on the part of the administration raises concerns. Vice President Gore recently told an African American audience "Republicans don't even want to count you." Those types of comments are not only dishonest, but destructive toward our goal of making this the most accurate census ever. I sincerely hope that the administration will not sabotage the 2000 census to score what it believes will be political points.

The Census Bureau requested an additional $123 million to prepare for a full enumeration. The White House said "no" and submitted a budget without the additional funding. Chairman Rogers and Congress, however, said "yes" and appropriated $100 million more despite the White House's refusal.

So who is trying to save the census and who is trying to sabotage it? Why would the White House turn down the Bureau's request if they were sincerely committed to preparing for a full enumeration?

The early indications from South Carolina, the location of the practice "actual enumeration", suggest that the Bureau did not show off it's best stuff down there. The hearing of the Census Monitoring Board in South Carolina showed problems, easily corrected problems, in the implementation. The mailing list was terrible—a whole zip code was missed—and the outreach efforts were seemingly mismanaged. In fact, even supplies such as training materials and forms were delivered late. These are the type of mistakes that suggest sloppiness, and also suggest that the administration is not committed to a full enumeration.

So today I hope to hear the status of preparations for a full enumeration, to hear about that. How has your planning changed in light of the recent court ruling? What resources have you moved from the sampling to the full count? What specific steps do you plan to take in the next weeks and months to intensify the efforts for a full enumeration?

Let's be frank: This administration has credibility problems. For months, my friends on the other side have claimed Republicans' insistence on planning for a full enumeration was hurting the census. The uncertainty was bad for planning, bad for morale, and if the

Republicans would just give in and let them plan for an illegal census, everything would be fine.

Now, I'm hearing a different message. Now that the court has ruled the plan is illegal, the dual track suddenly poses no problems for the administration. I'm told most of the efforts overlap, so there's no reason to worry. If you proceed on a dual track, the Bureau says, they will be ready to do a good job either way.

But Charles Schultze, a senior fellow of the Brookings Institution, sees things very differently. He wrote an op-ed June 7th, published in the Washington Post:

> Most important, a census with sampling is not simply a traditional census with sampling added but a very different thing. To reach such hard-to-find groups without the use of sampling to complete the count, a range of special programs to track down the hard-to-find must be designed and integrated into the census process.

There is no longer a debate over sampling. This hearing is concerned with the implementation of a full count and the special programs that Mr. Schultze spoke of.

Now that the courts have ruled sampling illegal, sound public policy says that if you had to make a decision you would go for a full enumeration. And suddenly the Democrats and the administration have become the champions of the dual track. It raises the question of credibility of the statements coming from the administration.

There has been tremendous speculation that the administration will shut down the government over this issue. It is hard to conceive the reasoning behind closing down the government when the court told you the plan you wanted to implement was illegal. But these are strange times at 1600 Pennsylvania Avenue and any diversion from the President's legal and moral dilemmas is probably welcomed.

Listen to the Democrats' top appointee to the Census Monitoring Board, Tony Coehlo. He said that the President should veto the census to help him out of his current scandal problems. Let me quote from the August 26th White House Bulletin:

> Coehlo also put the issue in the context of the President's current troubles, saying this issue is one of the "first things" Clinton must do to reestablish credibility with House Democrats, who begrudgingly accepted this deal in the first place. Coehlo said, "If he made a commitment to them, which he did, on this issue—specifically, in person, at the caucus, and he has to reestablish his credentials with these people—he ain't going to renege on this one."

Everyone in this room would agree, I assume, that the last thing the 2000 census needs is to get dragged into the President's political problem, the President's last-ditch efforts to restore credibility with the congressional Democrats. Mr. Coehlo's words, not mine. But, ironically, there's no credibility in sampling; a three-judge Federal panel said so. But it appears as though that is where we are headed. Sadly, any veto threats from the President must be looked at in the context of Mr. Coehlo's comments.

Ladies and gentlemen, there is one thing we can count on. There will be a 2000 census. The courts have said it will be a legal one. But if it is to be a good one, than we must begin working together

to make it happen. To delay further by pursuing unlikely remedies is to waste precious time, waste valuable tax dollars, and place in jeopardy the 2000 census.

Congress is committed to a legal, constitutional census and one that will correct the errors of the past. I hope others are committed to a full enumeration.

[The prepared statement of Hon. Dan Miller follows:]

STATEMENT OF CHAIRMAN DAN MILLER (FL-13)
SUBCOMMITTEE ON THE CENSUS HEARING
SEPTEMBER 9, 1998

I welcome everybody to the latest hearing of the Subcommittee on the Census. I want to thank the Members for coming back a little early so that we can hold this important hearing on the state of preparations for the 2000 Census. We are here today, as in the past, to demonstrate our unwavering commitment to making the 2000 Census the most accurate in the nation's history. Congress has an important obligation to eliminate the undercount from the 2000 Census within the bounds of the Constitution AND the rule of law. As this and other hearings will demonstrate, we take that obligation very seriously. The Speaker is on record that Congress WILL provide the Bureau with the resources it needs to conduct an "actual enumeration" as required by the Constitution and the Census Act.

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> "If judicial review must be deferred until after the 107th House is seated, the possibility of irreparable harm -- both monetary and non-monetary is likely, if not certain."

The implication here is CRYSTAL clear. Had we allowed the Administration's plan to go forward, a court ruling against sampling after the 2000 Census was completed would have been devastating to the nation at a total cost of more than $10 billion. Thankfully, the leadership in the House recognized their constitutional obligation to conduct a legal Census and took action. The leadership in the House is to be commended.

Despite the efforts of the House to conduct a LEGAL, constitutional Census and the support of a unanimous three judge panel, the 2000 Census is still at risk. At risk because the Administration is still preparing for an illegal "sampling" Census despite a Congress AND a special three judge panel which have said, NO! This is of grave concern for Congress and it is why we are here today.

It is time to put the issue of "sampling" to bed. If the Administration and Congressional Democrats want to revive this fight another day, then so-be-it. But, now it is time to put differences aside and work together to improve the 2000 Census and make it the most accurate count ever.

So I hope this hearing marks the beginning of a new relationship. I believe that if everyone in this room commits themselves to working together on a full enumeration and placing the resources, brainpower and hard work towards that approach, we can still have a successful 2000 Census.

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I have instructed my staff, in the coming weeks to reach out to the various pro-sampling groups and solicit input on how to reduce the undercount in their affected communities. Congress needs your help to make the 2000 Census the most accurate ever.

I understand that at a press conference yesterday many of these groups seemed unwilling to work with Congress to repair the undercount except by using sampling. This is unfortunate and clearly not in the best interest of their representative groups. To fight an uphill battle for sampling and blindly supporting an Administration on the brink of ruin -- is dangerous. Every day, week, month wasted irreparably delays the ability of Congress and the Census Bureau to put in place new and improved enumeration techniques that will serve to reach the undercounted.

I happily extend the olive branch to these groups and openly, today, seek their help in developing innovative legal strategies to reach those undercounted in their communities. To wait until the Supreme Court rules on this issue, I believe is unwise. The time for us to work together is now, not the late winter or early Spring when valuable time will have been lost.

I don't expect the Administration to concede on the sampling issue. The political problems of the President have so consumed the White House that they are only concerned with their own political survival, as tenuous as it is at the moment. But the fate of the 2000 Census should not be the fate of the White House -- resigned to failure.

So today is the day for Congress and other groups to move forward together to make a full enumeration the top priority for Republicans and Democrats, Congress and the Administration. If we work together and reach out we can reduce the undercount, restore trust and accountability and deliver a fair, accurate, and trusted 2000 Census for the American people.

Towards that end, I called this hearing today to learn the status of preparations for a full enumeration. Congress needs to know how seriously this Administration has been

preparing to conduct a full count. Reports in the media indicate the Administration's defiance of Congress and the court. We read that preparations continue to go forward for a sampling Census.

Furthermore, the intense partisanship on the part of the Administration raises concerns. Vice President Gore recently told an African American audience that "Republicans don't even want to count you." Those types of comments are not only dishonest, but destructive toward our goal of making this the most accurate census ever.

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supplies such as training manuals and forms were delivered late. These are the type of mistakes that suggest sloppiness --- and also suggest that the Administration IS NOT committed to a full enumeration.

So today, I hope to hear the full status of the preparations for a full enumeration. How has your planning changed in light of the recent Court ruling? What resources have you moved from the sampling to the full count? What specific steps do you plan to take in the next weeks and months to intensify the efforts for a full enumeration?

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> "Most important, a census with sampling is not simply a traditional census with sampling added but a very different thing . . . To reach such hard to find groups . . . [w]ithout the use of sampling to complete the count, a range of special programs to track down the hard-to-find must be designed and integrated into the census process."

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Now that the courts have ruled sampling illegal, sound public policy says that if you had to make a decision today you would go for a full enumeration. And suddenly the Democrats and the Administration have become the champions of the Dual Track. It raises the question of credibility of the statements coming from the Administration.

There has been tremendous speculation that the Administration will shut down the government over this issue. It is hard to conceive the reasoning behind closing down the government when the court told you the plan you wanted to implement was illegal. But these are strange times at 1600 Pennsylvania Avenue and any diversion from the President's legal and moral dilemmas is probably welcomed.

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effort to restore credibility with Congressional Democrats. Mr. Coelho's words, not mine. But, ironically, there's no credibility in sampling, a three judge panel said so. But it appears as though that is where we are headed. Sadly, any veto threats from the President must be looked at in the context of Mr. Coehlo's comments.

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Congress is committed to a legal, constitutional Census and one that will correct the errors of the past. I hope others are just as committed to an actual enumeration.

Mr. MILLER. And now I recognize Mrs. Maloney.

Mrs. MALONEY. Thank you, Mr. Chairman, for holding this hearing, and I thank particularly Ranking Member Waxman for being here today, although I must say I am puzzled over the specific subject.

Throughout the year, you have complained on the floor of the House and in the media about the plans for the 2000 census. I sense that we will hear more of the same today. We have an opportunity to use this time productively. To find solutions and to answer questions. However, it seems that we are scheduled only to review rhetoric.

Mr. Chairman, you and your colleagues have yet to propose a credible alternative to the current plan. All you can recommend is an increase in expenses and a decrease in accuracy. Throwing more cash at the perceived problem will not create a more accurate census. Scientific solutions will work where funding won't.

At the beginning of this decade, Congress in a bipartisan effort scolded the Census Bureau for conducting a census that was less accurate than 1980 and cost 250 percent more than 1970. Congress demanded that the Census Bureau develop a plan for 2000 that was more accurate and less expensive.

Our colleague, Representative Hal Rogers, urged Congress to call on the National Academy of Sciences to spearhead a zero-based effort at redesigning the census. The Academy, Representative Rogers said, and I quote, "is credible, experienced and, more importantly, independent." He goes on to say that he was, and I quote, "satisfied that they can pull together a panel of reputable minds capable of blending fresh policy viewpoints with an understanding of statistical methods."

Since then we have seen the opponents of a scientific census attack both the National Academy of Sciences and individual members of the Academy panels on the census.

As we were debating the Mollohan amendment to the Commerce appropriations bill, one of my colleagues attacked the National Academy recommendations by claiming that few of the panel members on the census were members of the Academy, and therefore the recommendations were not Academy recommendations. Had he put a call to the Academy, they would have explained that nearly all panels have only one or two Academy members, but that all panel reports, when published, represent the recommendations of the entire Academy.

Shortly thereafter someone fed the press information attacking the reputation of one of the panel Chairs. The unsigned memo claimed that because the company he worked for had accepted contracts with the Census Bureau, his professional opinion was bought.

These attacks on individuals and institutions are the doleful tactics of those who hate the message but have no real recommendations with which to counter the Academy reports, the Academy's plan for an accurate census.

The plan put forward before us by the Census Bureau almost 3 years ago remains the only plan on the table that will produce a census without the racial biases of 1990 and at a cost in the same

ballpark as 1990. Despite all of the attacks, no one has put forward a better plan.

Let's look at some of the suggestions the opponents of a scientific census had put forward to replace the National Academy plan. One Member suggested we do the 2000 census the way it was done in Milwaukee and Cincinnati. Both of these cities devoted considerable local efforts toward outreach. Even so, the undercount in both Milwaukee and Cincinnati was 2.2 percent higher than the national average and nearly 4 times the undercount for the home States of Wisconsin and Ohio. I don't think that is the result we want for 2000.

Another Member suggested we use the Postal Service, even though the Postal Service has said that it does not want postal carriers conducting the census. To make matters worse, we would have to pay postal carriers 2 to 3 times what census takers get paid. Finally, in many communities it just is not practical. Postal carriers do not go door-to-door anymore, and in many communities they drive up to a bank of post office boxes in the parking lot, deliver the mail and drive off.

Still other Members suggested that we improve the address list and cited GAO criticisms. What these Members overlooked was that the errors in the address list were the result of procedures insisted on by Congress—the use of Postal Service delivery sequence file and local governments. To correct this, with the approval of GAO, the Census Bureau has gone back to the procedures used in 1990, which produced an address list with less than a 2.5 percent error.

The Republican cochair of the Census Monitoring Board has repeatedly suggested that we use administrative records to improve the census, and cites the addition of 1.3 million persons to the 1990 census using lists for people on probation and parole. Again, the opponents of a scientific census failed to do their homework. It wasn't 1.3 million persons that were added, it was 457,000. What is worse, the error rate for those additions was nearly 60 percent.

Is that how these people propose to improve the census? It doesn't sound like much of an improvement to me. The fact of the matter is that the opponents of a scientific census have not put much effort in trying to solve the problem of a differential undercount and have repeatedly suggested that cost effectiveness need not be a criteria in deciding the census.

This subcommittee has been equally irresponsible. If these are good ideas, why haven't we had hearings on them? If administrative records is a possibility, why haven't we had a hearing on it? If there are any other ways to improve the address list, where is the subcommittee hearing to explore these methods? Where is the alternative to improve the undercount?

The sad truth is that the resources of this subcommittee have been squandered trying to find the smoking gun that will prove that the 2000 plan is really a "Democratic plot." They have failed because there is no smoking gun. From the beginning, the opponents of a scientific census have had only a political agenda.

In February of this year, a Republican fundraiser wrote to his colleagues soliciting $5,000 to $50,000 for the Southeastern Legal Foundation challenge to the 2000 census plan. He began by refer-

ring to a letter he received from Speaker Gingrich urging him to help raise money, and enclosed a memo from the chairman of the Republican National Committee citing the political damage a fair census would do to the Republican party.

The opponents of a scientific census have cloaked themselves in the Constitution and then said, and I quote, "We don't care what the Supreme Court says. If they say it's constitutional, we just won't fund it."

The opponents of a scientific census have attacked the messengers who proposed scientific methods to improve census accuracy. But they have never sat down and done the honest, hard work of understanding the problem and proposing legitimate solutions.

Today we will hear the D.C. court quoted again and again. I wonder if any of the Members here today have read the decisions from the District Court for the Eastern District of Michigan or the District Court for the Southern District of New York or the District Court for the Eastern District of Pennsylvania, all of whom have said that the use of sampling to improve the census count is both legal under Title XIII and is constitutional.

I would like to believe that today we will hear some ideas that will improve the 2000 census, but I fear we will hear only more political rhetoric and empty, insincere suggestions.

Thank you.

[The prepared statement of Hon. Carolyn B. Maloney follows:]

STATEMENT OF THE HONORABLE CAROLYN B. MALONEY

September 9, 1998

Thank you Mr. Chairman, for holding this hearing, although I must say, I am puzzled over the specific subject. Throughout the year, you have complained on the floor of the House and in the media about the plans for the 2000 census. I sense that we will hear more of the same today. We have an opportunity to use this time productively- to find solutions- and to answer questions. However, it seems that we are scheduled only to review rhetoric.

Mr. Chairman, you and your colleagues have yet to propose a credible alternative to the current plan. All you can recommend is an increase in expenses... and a decrease in accuracy. Throwing more cash at the percieved problem - will not create a more accurate census. Scientific solutions will work...where funding won't.

At the beginning of this decade, Congress in a bipartisan effort, scolded the Census Bureau for conducting a census that was less accurate than 1980 and cost 250 percent more than 1970. Congress demanded that the Census Bureau develop a plan for 2000 that was more accurate and less expensive. Our colleague, Representative Hal Rogers urged Congress to call on the National Academy of Sciences to spearhead a zero based effort at redesigning the census.

The Academy, Representative Rogers said, is "credible, experienced, and more importantly, independent." He goes on to say that he was "satisfied they can pull together a panel of reputable minds, capable of blending fresh policy view points, with an understanding of statistical methods."

Since then, we have seen the opponents of a scientific census attack both the National Academy of Sciences, and individual members of the Academy panels on the census. As we were debating the Mollohan Amendment to the Commerce Appropriations bill, one of my colleagues attacked the National Academy recommendations by claiming that few of the panel members on the census were members of the Academy, and therefore, these recommendations were not Academy recommendations. Had he but called the Academy, they would have explained that nearly all panels have only one or two Academy members, but that all panels reports, when published, represent the recommendation of the entire Academy. Shortly thereafter, someone fed the press information attacking the reputation of one of the panel chairs. The unsigned memo claimed that because the company he worked for had contracts with the census, his professional opinion was bought. These attacks on individuals and institutions are the doleful tactics of those who hate the message, but have no real recommendations with which to counter the Academy reports.

The plan put before us by the Census Bureau almost 3 years ago remains the only plan on the table that will produce a census without the racial biases of 1990 and at a cost in the same ballpark as 1990. Despite all of the attacks, no one has put forward a better plan.

Let's look at some of the suggestions the opponents of a scientific census have put forward to replace the National Academy plan. One member suggested we do the 2000 census the way it was done in Milwaukee and Cincinnati. Both of these cities devoted considerable local efforts toward outreach. Even so, the undercount in both Milwaukee and Cincinnati was 2.2 percent -- higher than the national average, and nearly 4 times the undercount for their home states of Wisconsin and Ohio. I don't think that is the result we want for 2000.

Another member suggested we use the Postal Service, even though the Postal Service has said that it does not want postal carriers conducting the census. To make matters worse, we would have to pay postal carriers 2 to 3 times what census takers get paid. Finally, in many communities, it just is not practical. Postal carriers do not go door to door any more. In many communities, they drive up to a bank of post boxes in the parking lot, deliver the mail, and drive off.

Still other members suggested that we improve the address list and cited GAO criticisms. What these members overlooked was that the errors in the address list were the result of procedures insisted on by Congress -- the use of the Postal Service Delivery Sequence File and local governments. To correct this, with the approval of GAO, the Census Bureau has gone back to the procedures used in 1990, which produced an address list with less than a 2.5 percent error.

The Republican Co-chair of the Census Monitoring Board has repeatedly suggested that we use administrative records to improve the census, and cites the addition of 1.3 million persons to the 1990 census using lists for people on probation and parole. Again, the opponents of a scientific census failed to do their homework. It wasn't 1.3 million persons that was added, it was 457,000. What is worse, the error rate for those additions was nearly 60 percent. Is that how these people propose to improve the census? It doesn't sound like much of an improvement to me.

The fact of the matter is that the opponents of a scientific census have not put much effort in to trying to solve the problem of a differential undercount, and have repeatedly suggested that cost effectiveness need not be a criteria in designing the census. This Subcommittee has been equally irresponsible. If these are good ideas, why haven't we had a hearing on

them? If using administrative records is a possibility, why haven't we had a hearing on it? If there are other ways to improve the address list, where is the Subcommittee hearing to explore those methods?

The sad truth is that the resources of this Subcommittee have been squandered trying to find the smoking gun that will prove that the 2000 plan is really a neferious Democratic plot. They have failed because there is no smoking gun.

From the beginning, the opponents of a scientific census have had only a political agenda. In February of this year a Republican fund raiser wrote to his colleagues soliciting 5 to 50 thousand dollars for the Southeastern Legal Foundation challenge to the 2000 census plan. He began by referring to a letter he received from Speaker Gingrich urging him to help raise money, and enclosed a memo from the Chairman of the Republican National Committee citing the political damage a fair census would do to the Republican party.

The opponents of a scientific census have cloaked themselves in the Constitution, and then said "We don't care what the Supreme Court says, if they say it's constitutional, we just won't fund it." The opponents of a scientific census have attacked the messengers who proposed scientific

methods to improve census accuracy. But they have never sat down and done the honest hard work of understanding the problem and proposing legitimate solutions.

Today we will hear the DC court quoted again and again. I wonder if any of the members here today have read the decisions from the District Court for the Eastern District of Michigan, or the District Court for The Southern District of New York, or the District Court for the Eastern District of Pennsylvania -- all of whom have said that the use of sampling to improve the census count is both legal under Title 13 and is constitutional.

I would like to believe that today we will hear some ideas that will improve the 2000 census, but I fear we will hear only more political rhetoric and empty suggestions.

[redacted]

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Amos R. McMullian
Chairman of the Board
Chief Executive Officer

RECEIVED
FEB 24 1998

February 18, 1998

[redacted]

Dear [redacted]

Just before the holidays I received a letter from Speaker Gingrich on behalf of the Southeastern Legal Foundation regarding the upcoming legal challenge concerning Census 2000. As you are aware, the Clinton Administration's plan to utilize statistical sampling will allow the administration the ability to create 27 million "mythical" people in preparation for redistricting in 2001.

I was struck by how this seemingly benign shift in policy could impact our representative form of government and sent a financial contribution as a show of my support.

The lawsuit to prohibit sampling was filed last week in Federal Court. The Southeastern Legal Foundation has called upon me to brief business community leaders on the importance of this case, the long term ramifications, and to ask for your financial support.

While the Foundation's interest in the census is purely constitutional and not partisan, I thought you would be interested in a memo from Jim Nicholson that discusses the impact of Census Sampling on the GOP. According to the memo, an independent analysis conducted for the RNC showed the Clinton census plan could result in:

- losing 24 or more GOP Congressional seats,
- losing 113 GOP State Senate seats,
- losing 297 GOP State House seats.

Many of these legislative districts are in states where political majorities are held by only the narrowest of margins. The Clinton Census plan could provide Democrats the crucial edge needed to take over Congress and also prevail in close contests to control several state legislative chambers. The potential impact on congressional apportionment and state legislatures both now and in the future is staggering. A copy of that memo is attached for your reference.

This lawsuit, which *will* go to the Supreme Court, will cost close to a million dollars. In order to insure that this effort is properly funded, they need contributions of $5,000, $10,000, $25,000 and $50,000. The Southeastern Legal Foundation is a 501(c)(3), and any contribution you make is completely tax-deductible. Several supporters have chosen to route their contribution to Southeastern Legal Foundation through their corporate or family foundation which supports this type of policy initiative. Your name or company name will not be published at any time without your express permission.

There are two ways you can learn more about the case. You can contact the President of Southeastern Legal Foundation, Matt Glavin, at 404-365-8500 or you can listen to a recent conference call with Speaker Gingrich discussing the long term ramifications of statistical sampling. To hear this call simply dial 1-800-597-1241.

I know that you will give their request every consideration.

Sincerely,

Amos R. McMullian

ARM/jhs
Enclosures

THE MEDIA IS TALKING ABOUT SOUTHEASTERN LEGAL FOUNDATION'S CENSUS 2000 LAWSUIT

"The integrity of the census count is every bit as critical to American representative democracy as the integrity of the ballot box is to honest and free elections. We don't guess at the number of votes in an election, and we should not guess at the number of people in America . . . Count everybody, because in America, everybody counts."

Matthew Glavin, SLF President
February 12th News Conference Announcing Lawsuit Filing, Washington, DC

USA TODAY
"Census Fight,"
Feb. 13, 1998

Associated Press
"Barr, Legal Foundation challenge Clinton sampling plan," Feb. 13, 1998

The Atlanta Constitution
"3 Georgians join suit on census method,"
February 13, 1998

The Boston Globe
"Census Method Draws Further Fire," Feb. 13, 1998

The Los Angeles Times
"Census Technique Target of Lawsuit,"
February 13, 1998
"More Squabbling Over 2000 Census,"
February 13, 1998

The White House Bulletin
"Lawsuit Filed to Stop Census Sampling," Feb. 13, 1998

National Journal's CongressDaily
"Census Subcommittee Unveiled; Group Sues on Sampling," February 13, 1998

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Republican
National
Committee

Jim Nicholson
Chairman

May 20, 1997

IMPORTANT NOTICE TO ALL STATE CHAIRMEN

FROM: JIM NICHOLSON

RE: THE CLINTON CENSUS

I am contacting you to recruit your assistance in addressing an issue of unusual importance to the future of Republican Party. At the heart of the matter is one of the federal government's most fundamental Constitutional functions: the United States census. At stake is our GOP majority in the House of Representatives, as well as partisan control of state legislatures nationwide.

The Clinton Administration is implementing a radical new way of taking the next census that effectively will add nearly *four and one-half million Democrats* to the nation's population. This is the political outcome of a controversial Executive decision to use a complex mathematical formula to estimate and "adjust" the 2000 census. Using this process Democrats gain a critical advantage in the next redistricting that will undermine GOP efforts to elect Republicans to both federal and state offices.

A reliable analysis done for the RNC by Polidata Political Analysis reveals that a statistically altered census will have a sweeping political impact that clearly imperils the Party's present congressional majority. The GOP would suffer a negative effect in the partisan makeup of 24 Congressional seats, 113 State Senate seats and 297 State House seats nationwide (a state-by-state summary is attached for your reference). Many of these legislative districts are in states where majorities are held by only the narrowest of margins. An adjusted census could provide Democrats the crucial edge needed to prevail in close contests to control several state legislative chambers.

The census does have problems and improvements are needed to insure a successful effort, but an adjusted census ignores the Constitution's call for an "actual enumeration". Republican leaders are committed to providing the needed resources for a complete count as directed by the founders. Census adjustment raises many legal, ethical, and technical concerns, yet Democrats faithfully promote it as the solution. Don't be fooled. An adjusted census is part of a long-term Democrat strategy to regain control of Congress and elect more candidates at all levels.

I regard it my duty as Party Chairman to alert you to the consequences on this front, and to request your assistance in stopping a census adjustment. Congress has the ultimate Constitutional authority to decide how the census is conducted, and federal appropriators have moved to halt funding for an adjusted census. Conference review of this issue is scheduled to begin today as part of a Supplemental Appropriations bill (H.R. 1469 fiscal year 1997 Supplemental Appropriations Act). We anticipate an attempt to strip this legislation of language that prevents the use of estimates and sampling in taking the census. Despite the concerns outlined here, adjustment proponents have been successful in exploiting Members' local concerns related to federal funding and legislative representation. A census adjustment could shift some federal funding levels, but it should be stressed that the language coming out of conference is planned to be specific for *apportionment*, and not funding distribution purposes.

It is vital that Republicans be united in opposing an adjusted census. Therefore, I am calling on each state chairman to urge your congressional delegation to support legislative restrictions, and to vote against any amendment that removes such language from the Supplemental Appropriations bill.

Thank you, and please do not hesitate to contact me should you need further information regarding this matter.

CENSUS 2000 LEGAL DEFENSE FUND

SOUTHEASTERN LEGAL FOUNDATION

☐ Yes, I want to make a financial commitment to the Census 2000 Legal Defense Fund. Please keep me informed of the progress of the lawsuit against President Clinton and the Census Bureau. Enclosed please find my contribution of:

_____ $100,000 _____ $50,000 _____ $25,000 _____ $10,000 _____ Other

NAME _____ E-MAIL _____

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COMPANY NAME _____

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Mr. MILLER. Vince, you don't have an opening statement?

Mr. SNOWBARGER. No.

Mr. MILLER. Normally we only have the chairman and the ranking member give an opening statement, but Mr. Waxman asked to have a brief opening statement, about 3 minutes or something.

Mr. WAXMAN. Thank you very much. I appreciate the courtesy of allowing me to have an opening statement. I might add I've been in Congress 24 years, and every subcommittee I've ever been on, all Members have a chance to make a statement. Usually they're limited to 5 minutes each, including the chairman and the ranking member. But we're following a different practice, and I appreciate your making this exception.

I just want to point out that the issue of the census is a complicated one. It requires a great deal of understanding about the complexity. And I appreciate the hard work that you, Mr. Chairman, and particularly Mrs. Maloney are providing to deal with this matter. Many Members don't want to take the time or give the energy that Mrs. Maloney has devoted to this issue, and I think it's a true service to the country and to the Congress.

Like most of my colleagues, I was surprised by the decision of the last month's court on the census because, as the judges themselves pointed out, it ran contrary to all previous rulings on this issue. Fortunately, when we decided on the agreement on a bipartisan basis, we provided—on how to test out where we were going to go on the census, we allowed for an expedited review by the Supreme Court. The law is going to be determined by the courts and not by Members of Congress. And it's going to go to the Supreme Court, and then we will know what the true law is on this question.

There was a bipartisan agreement. And I think the criticism of former Member Tony Coehlo is unfair, because he is saying the President will stick to that agreement. And we hope the Republican Members of the Congress will stick to the agreement.

Before we decided whether we were going to go to sampling or not have sampling, two tests were to have been achieved; one was a core test of the constitutionality of it, and that's yet to be fully determined. And the second was to have various tryouts throughout the country to see how the two methods might work so we can get the most accurate census possible. I find it hard to believe that when we are going forward with that agreement to test in both ways, whether we're going to have sampling or not, that those who want to keep to that agreement should be accused of being excessively partisan, because that was a bipartisan agreement.

Mr. Chairman, I appreciate your statements on wanting to reach out, to extend an olive branch. Let us take that part of your statement, and I won't pay attention to the rest of it where you bash Democrats who disagree with you. Because what we need to do is to bridge these differences and make sure that the census we have is as scientifically accurate as possible, because every American deserves to be counted.

It's important they be counted, and there's more to that census than just apportioning Members for who is going to be in the House of Representatives. There are Federal funds that are involved. And I think it goes to the fundamental questions of our representative democracy, and that's all people that are counted.

We started off in the Constitution by saying some people didn't count as real people; those were the African Americans. But we have now a constitution that says every person is equal under the law and every person should be counted in the census.

And I thank you very much for giving me the chance to say this. I look forward to accepting the olive branch, and I extend one to you as well.

Mr. MILLER. We have before us today Robert Shapiro, Under Secretary of Economic Affairs, U.S. Department of Commerce, and James Holmes, Acting Director for the Bureau of the Census. I want to welcome Mr. Shapiro for being here today and representing the Commerce Department in Secretary Daley's absence. I would also like to welcome back Mr. Holmes.

Mr. Shapiro, Mr. Holmes, if you would please stand and raise your right hand.

[Witnesses sworn.]

Mr. MILLER. Thank you. Please be seated. Let the record confirm that all the witnesses answered in the affirmative.

I understand both of you have an opening statement. Mr. Shapiro, would you like to proceed?

STATEMENTS OF ROBERT J. SHAPIRO, UNDER SECRETARY FOR ECONOMIC AFFAIRS, U.S. DEPARTMENT OF COMMERCE; AND JAMES F. HOLMES, ACTING DIRECTOR, U.S. BUREAU OF THE CENSUS

Mr. SHAPIRO. Good afternoon, Mr. Chairman, Mrs. Maloney and members of the subcommittee. I appreciate this opportunity to testify before you today on behalf of the Department of Commerce concerning the progress of the Census Bureau's preparations for census 2000. I know that Secretary Daley very much wanted to appear today but was unable to do so.

At the outset, Mr. Chairman, I want to express the complete commitment of the Commerce Department and the Census Bureau to conducting the most accurate, fair and cost-effective decennial census possible in the year 2000.

We believe, along with the vast majority of experts in the national scientific community, that we can successfully meet these goals by complementing traditional census operations with the use of statistical sampling methods in census 2000.

We are acutely aware, however, that many Members of Congress and this subcommittee have questions and reservations about the Census Bureau's plans for census 2000. As you know, Congress and the President reached an agreement in last year's Commerce-State-Justice Appropriations Act directing the Census Bureau to proceed with a dual track planning process. This will allow the Census Bureau to prepare to conduct the most accurate, fair and cost-effective census possible, either with the use of scientific sampling or without it.

Mr. Chairman, prior to this hearing you asked a number of questions about the technical and operational components of the Census Bureau's planning for conducting census 2000 without the use of scientific sampling. The Acting Director of the Census Bureau, James Holmes, will address the bulk of these questions in his testimony. I will direct my remarks and limited time to two questions

that fall outside these parameters and to two additional matters of grave concern to the success of the census under either track.

First, you asked what funds the administration is requesting for fiscal year 1999 "to be able to plan, test and be prepared to implement the 2000 census" without the use of scientific sampling. The vast, vast majority of the planning, testing and preparation activities that the Census Bureau will undertake in fiscal year 1999, totaling $812 million under the President's budget, involve activities and operations that will be part of census 2000 under either track.

These activities form the core of the decennial census, and include the development of the master address list; preparation and printing of census questionnaires, notices and reminders; physical, technological and organizational preparations for the electronic capture of census data and for the dissemination of the results; the opening of census offices across the country and the equipping and staffing of these offices; and extensive promotional and outreach activities.

The fiscal year 1999 census budget will also support the final stages and evaluation of the 1998 dress rehearsals, which provide the core testing of census plans, and which included the South Carolina site which tested census methodologies without the use of scientific sampling. Indeed, only a very small fraction of the fiscal year 1999 budget is for work unique to a census with sampling.

At the same time, the administration has requested additional funds for planning, testing and preparations unique to a traditional census for the first 5 months of fiscal year 1999, at which time the decision on which track to take would be taken, to enable the Census Bureau to preserve the option of doing a traditional census. If we proceed with the traditional design for census 2000, the Department of Commerce may ask the administration to request a supplemental appropriation to cover additional fiscal year 1999 costs for such a census.

In April the Department of Commerce submitted a report on the state of planning for a traditional census, and made a preliminary estimate that if the decision were to be taken at that point in time to conduct census 2000 using traditional methods, the additional full year fiscal year 1999 funding requirements for such a census could reach $276 million. The planning and preparation process which has continued since that April report will enable the Census Bureau and the Commerce Department to provide a precise accounting of the funding requirements for the remainder of fiscal year 1999 and fiscal year 2000 if a traditional census without sampling is conducted.

Mr. Chairman, I would like to provide some additional comments on fiscal year 1999 funding, if I could. Whatever decision is reached concerning the use of scientific sampling in census 2000, the success of the census will be at grave risk if its funding is interrupted. If funding is initially provided through a continuing resolution, it is imperative that the decennial census be exempt from the normal continuing resolution formula of continuing fiscal year 1998 funding on an average prorated basis, which in this case would mean less than $33 million a month.

Decennial funding increased steadily throughout fiscal year 1998 and will reach $49 million in September 1998. Necessary funding

will increase again on October 1st as the operations for rural address list development accelerate. Without an exemption, the Census Bureau will be forced to suspend this operation and to release some 22,000 temporary employees. Even if full funding were restored in just a few days, these steps would delay the address list program by several weeks because those employees would have to be rerecruited, rehired and retrained, which in turn would place in jeopardy the census 2000 schedule for printing and delivering questionnaires, opening census offices on schedule, paying leases and, ultimately, completing the census by December 31, 2000.

This grave risk would be shared equally by a census with scientific sampling or a traditional census without scientific sampling. An equally grave risk would arise from the "fencing" language of the House-passed fiscal year 1999 appropriation for the decennial. That language provides 50 percent of the Bureau's funding to cover operations through March 1999 or for the first 6 months of fiscal year 1999. The budget and schedule provided by the Census Bureau to the Congress documents that fiscal year 1999 funding is concentrated in the early months of the year, when the personnel costs for the rural and urban address file program are concentrated and large contracts are obligated.

As a result, 50 percent of fiscal year 1999 funding would be exhausted by late January 1999. This "fencing" provision would effectively force a 2-month delay in core operations on which the success of the census depends, whether or not it includes scientific sampling. Again, such delays would undermine the viability of census 2000, whether it is conducted in a traditional method or conducted with the use of scientific sampling.

Mr. Chairman, you have also asked if there is any intention to request future changes to the fiscal year 1999 appropriation in light of the ruling in *U.S. House of Representatives* v. *Department of Commerce, et al.* I am advised that the three-judge panel—I'm not a lawyer, I should say, so I have to be advised by them on these matters, and they advise me that the three-judge panel did acknowledge that its interpretation of the Census Act ran counter to the interpretation of that act by previous Federal courts, and that memoranda prepared by the Justice Departments of President Carter and President Bush, as well as President Clinton, are consistent with the earlier court opinions. The Solicitor General has appealed this decision to the Supreme Court, as you know, under the provisions for expedited review approved by the Congress and the President.

While this appeal proceeds, the Department of Commerce and the Census Bureau will continue with the dual track preparations for census 2000 as was contemplated in last year's appropriations act and as funded in the fiscal year 1999 appropriation bills passed by both houses of Congress. However the Supreme Court rules, Mr. Chairman, the Commerce Department and the Census Bureau are committed to conducting the most accurate, fair and cost-effective census attainable in the year 2000.

Thank you, Mr. Chairman. And I would be pleased to answer any questions.

[The prepared statement of Mr. Shapiro follows:]

Statement of Robert J. Shapiro
Under Secretary of Commerce for Economic Affairs
before the
U.S. House of Representatives
Committee on Government Reform and Oversight
Subcommittee on the Census

September 9, 1998

Good afternoon, Mr. Chairman and Members of the Subcommittee. I appreciate this opportunity to testify before you on behalf of the U.S. Department of Commerce concerning the progress of the Census Bureau's preparations for Census 2000. I know that Secretary Daley very much wanted to appear today but was unable to do so.

At the outset of my testimony, Mr. Chairman, I want to express the complete commitment of the Department of Commerce and the Census Bureau to conducting the most accurate, fair, and cost-effective Decennial Census possible in the year 2000. I know that everyone on this Subcommittee shares this commitment.

We believe, along with the vast majority of experts in the national scientific community, that we can successfully meet these goals by complementing traditional census operations with the use of statistical sampling methods in Census

2000. This approach was recommended by the National Academy of Sciences in response to a law passed by the Congress and signed by President Bush in 1991, after the 1990 Census failed to count more than 8 million people. Virtually every professional organization involved in this issue endorsed the limited use of statistical sampling for the 2000 Census to improve accuracy. The Census Bureau directly incorporated the Academy's recommendations in its Census 2000 plan.

Mr. Chairman, we respect the constitutional authority of the Congress to write laws determining how the Census is conducted, and recognize that Congress has granted the Secretary of Commerce broad discretion under the Census Act to decide the methods by which the decennial count is taken. In turn, the Secretary of Commerce has delegated this authority to the experts at the Census Bureau, directing them to develop a plan that will best ensure the most accurate, fair and cost-effective census possible in the year 2000.

We are acutely aware that many members of Congress and this Subcommittee have reservations about the Census Bureau's plan for Census 2000. As you know, Congress and the President reached an agreement in last year's Commerce-State-Justice Appropriations Act directing the Census Bureau to proceed with a dual track planning process. This will allow the Census Bureau to prepare to conduct the most accurate, fair and cost-effective census possible either

without the use of scientific sampling, as well as with it.

The dual track planning and preparation process is designed to prepare the Census Bureau to conduct a successful decennial census on whatever terms are ultimately decided by the Supreme Court and the laws passed by the Congress and signed by the President. It is the responsibility of the Census Bureau and the Economics and Statistics Administration, which I direct, to ensure that the Congress and the President have the full information required to reach this decision. Therefore the dual track process is also designed to examine whether the Census Bureau could achieve an accurate, fair and cost-effective census using traditional methods, complemented by additional operations in place of scientific sampling.

Throughout the planning and preparation stages for Census 2000, the Department of Commerce and the Economics and Statistics Administration have consistently deferred to the experts at the Census Bureau regarding the technical and operational components of this planning and preparation. The Census Bureau is the world's premier data collection agency, with over 13,000 professional and hard-working employees. These dedicated civil servants conduct the census, and politics does not and should not play a role in their technical and professional decisions.

Mr. Chairman, your letter of August 28 inviting Secretary Daley to testify at this afternoon's hearing asked a number of questions about the technical and operational components of the Census Bureau's planning for conducting Census 2000 without the use of scientific sampling. As is appropriate, the Acting Director of the Census Bureau, James Holmes, addresses these questions in his testimony. I will direct my remaining remarks and limited time to two questions that fall outside these parameters and to two additional matters of grave concern to the success of the Census under either contemplated track.

First, you asked what funds the Administration is requesting for FY 1999 "to be able to plan, test and be prepared to implement the 2000 Census" without the use of scientific sampling. The vast majority of the planning, testing and preparation activities that the Census Bureau will undertake in FY 1999, totaling $812 million under the President's budget, involve activities and operations that will be part of Census 2000 under either track. These activities form the core of the Decennial Census, and include the development of the master address list; preparation and printing of census questionnaires, notices and reminders; physical, technological and organizational preparations for the electronic capture of census data and the dissemination of the results; the network of census offices across the country and the equipping and staffing of these offices; and extensive promotional

and outreach activities. The FY 1999 Census budget will also support the final stages and evaluation of the 1998 Dress Rehearsals, which provide the core testing of census plans and which included a site in which the count was conducted without the use of scientific sampling. Only a small fraction of the FY 1999 budget is for work unique to a Census with sampling.

In addition, the Administration requested an additional $36 million for planning, testing and preparations specific to a traditional census for the first five months of FY 1999. This amount would enable the Census Bureau to preserve the option of doing a traditional census.

If we proceed with a traditional design for Census 2000, the Department of Commerce will ask the Administration to request a supplemental appropriation to cover additional FY 1999 costs for such a Census. In April, the Department of Commerce submitted a report on the state of planning for a traditional census and estimated that, based on the preliminary information then available, if the Congress and President were to determine at that point in time that Census 2000 would use traditional methods, the additional full year FY 1999 funding requirements for such a Census could reach $276 million. The planning and preparation process which has continued since the April report will enable the Bureau and the Commerce Department to provide a precise accounting of the funding requirements for the

remainder of FY 1999 and FY 2000, should the Census Bureau be directed to conduct a traditional census without sampling.

Mr. Chairman, I would like to provide some additional comments on FY 1999 funding. Whatever decision is reached concerning the use of scientific sampling in Census 2000, the success of the entire enterprise will be at grave risk if its funding is interrupted. If funding is initially provided through a Continuing Resolution, it is imperative that the Decennial Census be exempt from the normal CR formula of continuing FY 1998 funding on an average pro-rated basis, which in this case would mean less than $33 million a month. Decennial funding increased steady throughout FY 1998 to reach $49 million in September 1998. Necessary funding will increase sharply again on October 1, as the operations for rural address list development accelerate. Without an exemption, the Census Bureau will be forced to suspend this operation and release some 22,000 temporary employees. Even if full funding were restored in a few days, these steps would delay the address list program by several weeks, which in turn would place in jeopardy the Census 2000 schedule for printing and delivering questionnaires, opening Census offices on schedule, paying leases, and, ultimately, completing the Census by December 31, 2000.

An equally grave risk would arise from the "fencing" language of the House-

passed FY 1999 appropriation for the decennial. That language provides only 50 percent of the Bureau's funding to cover operations through March 1999, or for the first six months of FY 1999. The budget and schedule provided by the Census Bureau to the Congress documents that FY 1999 funding is concentrated in the early months of the fiscal year, when the personnel costs for the rural and urban address file program is concentrated and large contracts must be obligated. As a result, 50 percent of FY 1999 funding would be exhausted by late-January 1999. This "fencing" provision would effectively force a two-month delay in critical core operations on which the success of the Census depends, whether or not it includes scientific sampling. Such delays would undermine the viability of Census 2000.

Mr. Chairman, your letter of invitation to Secretary Daley also asked if there is "any intention to request future changes to the FY99 appropriation in light of the ruling in *United States House of Representatives v. Department of Commerce, et. al.*" I am advised that the three-judge panel acknowledged that its interpretation of the Census Act runs counter to the interpretations of that Act by previous Federal courts. Memoranda prepared by the Justice Departments of President Carter and President Bush, as well as President Clinton, are consistent with the earlier court opinions. The Solicitor General has appealed this decision to the Supreme Court under the provisions for expedited review approved by the Congress and the

President. While this appeal proceeds, the Department of Commerce and the Census Bureau will continue with the dual track preparations for Census 2000, as is contemplated in last year's Appropriation Act and as funded in the FY 1999 appropriations bills passed by both Houses of Congress.

We trust in and await the Court's judgment. However the Supreme Court rules, Mr. Chairman, the Commerce Department and the Census Bureau are committed to conducting the most accurate, fair and cost-effective Census attainable in the year 2000.

Thank you Mr. Chairman. I would be pleased to answer any questions.

Mr. MILLER. Mr. Holmes.

Mr. HOLMES. Thank you, Mr. Chairman and members of the subcommittee. I will keep my remarks short as you requested, and as I'm always reminded, and ask that my full statement be entered into the record.

First, I would like to thank you for the opportunity to testify today on the status of the Census Bureau's planning for a census that does not use sampling for purposes of apportionment. The Census Bureau's planning efforts throughout this year are based on the agreement reached last fall to pursue a dual track for census 2000.

This agreement to fund preparations for both sampling and nonsampling for purposes of the census was first enacted in our fiscal year 1999 appropriations act, and again reaffirmed in both the House- and Senate-passed versions of our appropriations bill for fiscal year 1999. While I personally continue to believe that a census with sampling will be more accurate and cost less, I can assure you that we are on track to conduct a census without sampling in the event that a decision to do so is made next March.

Most importantly, I want to emphasize that the vast majority of the Census Bureau's planning efforts over the last 7 years have been and continue to be directed toward components that will be used in either type of census, and the vast majority of the activities that we will undertake in fiscal year 1999 are common to either census design. These include address list development, questionnaire printing, the data capture preparation, and setting up the field infrastructure, for example.

Through all of our planning efforts over the last 7 years, our research and testing has identified improvements that will be important components, again, in either type of census. These include higher wage rates, address list improvements, simpler questionnaires, multiple contacts with households, more ways for people to respond, innovative use of technology, increased partnership activities, and paid advertising. All of these elements are common to either a census with or without sampling. They all represent marked improvements over 1990, and all are on track for implementation for census 2000.

The last time I testified before the subcommittee was at the beginning stages of the dress rehearsal for the upcoming census. As I detailed in my written statement, the dress rehearsal was a success on many fronts. We were able to hire sufficient staff, achieve the targeted mail return rates, and complete operations on schedule. We also learned about some areas where we need to make improvements, and we have already put some of those improvements in place.

We've made substantial progress toward developing a plan specifically addressing components of a census without sampling. We submitted a status report to the Congress in April of this year. We've reorganized our decennial management structure to accommodate dual track planning successfully, and we've hired staff to accomplish this planning.

We've formed staff into some 20 chartered groups to address a wide range of issues concerning programs and operations that might be components of a census without sampling. These groups

are exploring such broad issues as use of administrative records, questionnaire development and delivery strategy, coverage improvement programs, ways to improve nonresponse followup operations, and the marketing and partnership programs.

These groups are preparing operational analyses of the components that they are examining, which will be completed sometime between mid-September and mid-October. These analyses will describe how an operation should be conducted if it were part of a plan to conduct a census without sampling. After integrating the groups' analyses, we plan to complete development by this November of a plan to conduct a census without sampling. An associated master activities schedule, interim cost reports for the potential plan, will also be included. In February 1999, we plan to have a detailed plan for the Congress.

In closing, I want to emphasize that many critical activities vital to the success of census 2000 must be conducted on schedule in fiscal year 1999. These activities, as I've said earlier, apply both to a census with or without sampling. One key activity is the continuing development of an accurate master address file, and I list a number of others in my written statement. If any of these activities are seriously delayed, the census will be put at risk. Moreover, as I detailed in my statement, our address listing operations will be put in a serious state of failure if any delays of fiscal year 1999 funding occurs in early October.

Mr. Chairman, I've answered the specific questions in your letter of invitation in my written statement. This concludes my oral statement, and I would be happy to answer any questions that you or other members of the committee might have.

[The prepared statement of Mr. Holmes follows:]

PREPARED STATEMENT OF

JAMES F. HOLMES

ACTING DIRECTOR, U.S. BUREAU OF THE CENSUS

Before the Subcommittee on the Census

Committee on Government Reform and Oversight

U.S. House of Representatives

September 9, 1998

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to testify today on the status of the Census Bureau's planning for a census that does not use sampling for purposes of apportionment. Census Bureau planning efforts throughout this year are based on the agreement reached last fall to pursue a "dual track" for Census 2000. This agreement to fund preparations for both a sampling and nonsampling census was first enacted in our FY1998 appropriations act, and again reaffirmed in both the House- and Senate-passed versions of our appropriations bill for FY1999. While I continue to believe that a census with sampling will be more accurate and cost less, we are on track to conduct a census without sampling in the event that a decision to do so is made by next March.

Most importantly, I want to emphasize that the vast majority of the Census Bureau's planning efforts over the last 7 years have been and continue to be directed toward components that will be used in either kind of census. To use a very simple analogy, the basic, common components of the census are the tree trunk and the components specific to either a census with or without sampling are branches. The trunk is massive and healthy and will be there no matter which branch is taken next year. Furthermore, the vast majority of the activities we will undertake in FY1999--address list development, questionnaire printing, data capture preparation, setting up the field infrastructure, for example--are common to either census design, and I will have more to say about that later.

Improvements in the Census Plan Since 1990

Through all our planning efforts over the last 7 years, our research and testing have identified improvements that will be important components of either type of census. Let me just quickly outline some of these improvements we have made in the decennial census process since 1990.

o First, to address the staffing issues that have seriously encumbered prior census efforts, we have obtained private sector studies to establish wage rates higher than comparable rates for the 1990 census that will give us a better chance of hiring the massive numbers of temporary workers needed to take the census. These wage rates helped us achieve success in hiring adequate staff for the Dress Rehearsal census and are essential to our ability to hire staff under either design for 2000.

o Second, through working with the U.S. Postal Service and state, local, and tribal governments, and with improvements in our own listing operations, we believe we will obtain an address list that is more complete than the one for 1990. As I mentioned in March, when I last testified before this committee, we have reinstated a 100-percent verification activity in areas with mostly city-style addresses that we will conduct in FY1999. This change was needed to ensure address list completeness and quality. This fiscal year, we have begun our address listing in rural areas that do not have city-style addresses and that work will continue next fiscal year.

o Third, we are using a user-friendly census questionnaire design that will be easier and simpler for respondents to understand and complete.

o Fourth, for Census 2000 will implement a multiple mail contact strategy, which will include a prenotice letter and a reminder card in addition to the questionnaire mailing.

o Fifth, respondents will have more ways to respond to the census than ever before. For example, through the Be Counted program, we will make forms available in stores, schools, civic or community centers and other locations. A well-publicized toll-free telephone number will be available for those who have questions.

o Sixth, through contracting with private vendors, the Census Bureau will utilize the best available data capture methodology in Census 2000. The 1990 census was microfilmed and key entered. In Census 2000, the forms will be scanned directly into computers that can read handwriting. The completed forms will be read directly into computer files ready for tabulation. This last January, we awarded the contract for designing and building centers to handle this data capture system, equipping the centers with office equipment and supplies, and hiring, managing, and training about 6,000 employees.

o Seventh, we will use modern technology to spot and eliminate multiple responses from the same household. Unduplication of multiple responses was not feasible in past

censuses because available technology and costs permitted only a small subset of person names to be data captured and unduplicated.

o Eighth, we have increased our partnership activities over previous censuses and are working with state, local, and tribal governments and community groups to advise us of opportunities to publicize Census 2000, help us correct census maps and address lists, and tell us where to put questionnaires so people will find them. This summer, we began mailing out, on a flow basis, address listings and maps to participating jurisdictions with city-style addresses. We expect to mail most of these materials in September, completing the balance in October. They have three months once they receive the listings to review them. Next year, we will ask jurisdictions with noncity-style addresses to take part in this review process.

o Ninth, we will for the first time use paid advertising to encourage the general population to complete and mail back their census questionnaires and to better target our messages to specific audiences that we believe will be difficult to enumerate. We awarded the advertising contract last fall and utilized paid advertising in the Dress Rehearsal census. Contracting agencies continue to design materials for use in Census 2000.

All of these elements are common to either a census with or without sampling, all represent marked improvements over 1990, and all are on track for implementation for Census 2000.

Dress Rehearsal Census

Now I want to discuss the Dress Rehearsal census, which was our first opportunity to see how all the pieces of our plan fit together. As I testified before this Subcommittee in March, the Dress Rehearsal is intended to work out the kinks in the census plan with the full expectation that there will be kinks. I said then that the Dress Rehearsal would be a success if it provides us with information about what worked well and what didn't and how to fix those things that didn't work well. Before we began the Dress Rehearsal, there were widely reported concerns (in the reports of the Commerce Department Inspector General and the General Accounting Office, for example) that many of the components of the Dress Rehearsal were at risk. This included our ability to hire sufficient staff, to obtain adequate mail response rates, and to complete operations on time, among others.

I can now report to you that the Dress Rehearsal was a success on many fronts, not only because we were able to hire sufficient staff, achieve expected mail response rates, and complete operations on schedule, but also because we did learn about some areas where we need to make improvements and we have already put those improvements in place.

Staffing--We were very pleased to be able to hire and retain sufficient staff in all three sites to implement the critical nonresponse follow-up operation. Because of the previous

studies we had obtained and adjustments we made during the Dress Rehearsal, our wage rates were sufficient to attract workers, to achieve higher-than-expected job acceptance rates, and to keep turnover rates significantly below what we anticipated. We are now analyzing the recruitment and hiring data to determine how we can best use this information to improve the Census 2000 experience.

Mail-Response Rates--In our Sacramento site, we projected a 50% response rate and were happy with the 53.7% showing. In the Menominee American Indian Reservation site (Menominee County, Wisconsin), we projected 40% and got 40.6%, while in South Carolina we projected 55% and came very close with a 54.1% response rate.

Telephone Questionnaire Assistance--We were able to implement an effective telephone questionnaire assistance operation in the Dress Rehearsal. About 96% of our callers requested assistance in English. Only about 5% of all callers opted to provide their census information by telephone. This was good news, since it is more expensive to complete the questionnaire by telephone than to have respondents mail the form to us.

Nonresponse Follow-up--Linked with the ability to hire and retain adequate staff was our ability to successfully complete this operation on time. Because the nonresponse follow-up operation affects many subsequent programs, its success will help us in completing the Dress Rehearsal on time and within budget.

Laptop Computers--There were some questions about the ability of our temporary field staff to successfully operate and transmit the data obtained by using laptop computers during the Integrated Coverage Measurement operation. But our temporary field staff successfully used this technology and this will help us evaluate the use of laptops in the larger-scale Census 2000 operations.

Scanning Technology for Questionnaires--We also conducted a successful dry run in "real time" conditions of the scanning equipment that will be used to process Census 2000 questionnaires. The ability to digitally capture information from questionnaires will improve both the accuracy and speed of the census.

Let me also just briefly mention some of the lessons learned from the Dress Rehearsal. We encountered some problems in the development of the address list and in the delivery of related maps for the Dress Rehearsal. Most of these problems were due to two factors:

First, schedule compression resulting from the continuing resolution at the beginning of the fiscal year delayed many address list development activities and the related map update operations. This resulted in late delivery of some maps and address list-related products, including some materials needed by locally designated officials who checked the address list during the Local Update of Census Addresses or LUCA program. Some local participants were dissatisfied with

this process, particularly those in the South Carolina site where many localities have a complex mix of address types and mail delivery situations.

Second, the newness of the complex automated systems we have been developing to improve our address list development process required more review and repair time than we anticipated. This has frustrated both our field staff and our local partners.

As a result of these problems, we gained valuable experience and information that have allowed us to improve our software and processing systems. Further, we are simplifying and improving many aspects of the address list review process in response to comments from our local partners. Although we face many new challenges for Census 2000, including first-time use of a more decentralized map production system and much larger production volumes for all products, the Dress Rehearsal has been invaluable in preparing us to meet these.

In addition, last summer we determined that we needed to improve the planned address list development process. We did this by reinstating a 100-percent field verification activity in areas with mostly city-style addresses. This change was needed to ensure address list completeness and quality. The timing of this finding was too late to allow us to add this new procedure to the Dress Rehearsal without seriously compromising many other scheduled activities. We will get an indication of how this lack of verification affected the completeness of the Dress Rehearsal census later this year when evaluation studies are available.

We also learned that in working with community-based organizations in the Dress Rehearsal, it is important to fill partnership specialist positions early to allow more time for including community-based organizations in the planning and implementation phases of the census.

Activities Specific to a Census Without Sampling

Let me now address some activities related to planning specific to a nonsampling census:

First, we are conducting the Dress Rehearsal census in our South Carolina site without the use of sampling and estimation procedures and including enhancements to nonsampling procedures. These enhancements included increased advertising and partnership activities, increased quality assurance, increased marketing and promotion activities, as well as 100-percent follow-up of nonresponding housing units and of all addresses for which the U.S. Postal Service could not deliver a questionnaire because the housing units were believed to be vacant. We have completed all field work through nonresponse follow-up in the South Carolina site.

Second, in order to comply with the agreement to prepare for a census that does not use sampling, it will be necessary to open in early FY1999 130 temporary local census offices to manage and control the activities necessary to collect data from all households that do not mail back a questionnaire in 2000. It is necessary to open these offices a year earlier than planned in order to prepare for the significantly increased work load associated with a census that does not

use sampling. The lease negotiations for these 130 offices are nearly all completed and we will award the contract for equipment for these offices in the near future.

Third, we have made substantial progress toward developing a plan specifically addressing components of a census without sampling.

o We submitted to the Congress in April a "Status Report on Planning for a Decennial Census in Year 2000 Without the Use of Scientific Sampling."

o We have reorganized our decennial management structure to accommodate dual track planning successfully and we have hired staff to accomplish this planning.

o We have formed staff into some 20 chartered groups to address a wide range of issues concerning programs and operations that might be components of a census without sampling. These groups are exploring such broad issues as the use of administrative records, questionnaire development and delivery strategy, coverage improvement programs, ways to improve the nonresponse follow-up operation, and the marketing and partnership programs. These groups are preparing operational analyses of the components they are examining, which will be completed from mid-September to mid-October; these analyses will describe how an operation should be conducted if it were part of the plan for conducting a census without sampling. I will discuss these groups in more detail later.

o After integrating the groups' analyses, we plan to complete development this November of a plan to conduct a census without sampling, an associated master activities schedule, and interim cost estimates for the potential components of a plan. In February 1999, we will have a detailed plan.

Critical Activities Must Be Performed in FY1999

Mr. Chairman, before continuing with answers to the specific questions in your letter of invitation, I want to emphasize that many critical activities vital to the success of Census 2000 must be conducted on schedule in FY1999. These activities, as I said earlier, apply both to a census with sampling or without. A key activity is the continuing development of an accurate Master Address File. In FY1999, we will begin and complete work to verify the estimated 94 million addresses that use house number and street name, commonly referred to as "city-style addresses." Also, we will complete the locating and listing of an estimated 22 million non-city style addresses that do not use house number and street name, known as "rural address listing." We will also extend our efforts to validate the address list with state, local, and tribal authorities, a program made possible by the Census Address List Improvement Act of 1994 that authorized these governments to review and validate the list.

Other key Census 2000 activities in FY1999 include beginning the process of opening local census offices in every congressional district; purchasing and putting in place the automation and

telecommunication infrastructure to support the nationwide network of facilities; completing software development and testing; finalizing preparations for data capture; and printing questionnaires, notification letters, and other Census 2000 forms. Another critical activity to be completed in FY1999 is an evaluation of this year's full-scale Dress Rehearsal. We also will finalize plans for enumerating people without a traditional home and for making available telephone assistance to answer respondents' questions about the census process and questionnaire. And our expanded partnership program will continue to work with state, local, and tribal governments, as well as community-based organizations, local media, and other public and private sector organizations to promote public awareness of this nationwide mandate.

These are all activities that will be necessary for a successful census under either design and if any of them are seriously delayed, the census will be put at risk.

Moreover, our address listing operations will be put in a state of failure by any delay in the FY1999 funding stream in early October. We would have to release 1,800 supervisors and crew leaders already trained and on the payroll. We would have to tell 22,000 staff who list addresses not to come to the planned training, as well as cancel all space accommodations for the training. We would lose a significant portion of the staff we released as well as the listers we told not to come to training. This would mean starting the entire recruiting process over again and would result in a delay of at least one month in the second wave of listing. We would not be able to recover from this and would not be able to complete the second wave on time.

Any delay of this magnitude will seriously impact subsequent operations including the third wave of listing in rural areas and block canvassing in areas with city-style addresses. Each stage of the field work for all operations must be completed on a timely basis so that we can meet the absolutely critical July 1999 deadline for delivering to contractors an address file for labeling the census questionnaires. Field activities must be completed on time if we are to meet this critical deadline necessary to ensure the timely mailing of census questionnaires.

Answers to Chairman Miller's Questions

Mr. Chairman, I will now address 9 of the 11 specific questions about our planning for a census without sampling in your August 28 letter of invitation; questions 6 and 11 are addressed in Under Secretary Shapiro's statement.

1 & 2. What resources and personnel have been assigned to date for planning? What resources and personnel have been assigned to date to test methodologies?

The vast majority of the more than 750 people working on the decennial census are involved in work on operations essential to either census design. In addition, over 100 people are working on the teams defining components specific to a nonsampling census. The vast majority of the Bureau's FY1998 decennial budget ($390 million) is assigned to activities related to either census design. Of that amount, we have assigned $13.5 million in FY1998 for planning efforts (including assessment and evaluation of

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methodologies) for activities specific to a census without sampling.

3. **What tests have been made?**

As I mentioned above, most of the Bureau's research and testing program over the last 7 years has been directed toward components that will be included in either census design. This includes special purpose tests that looked at such issues as questionnaire design, questionnaire content wording, and questionnaire mailing strategies; broad, general purpose tests such as the 1995 Census Test, which looked at a wide range of census implementation issues; and the Dress Rehearsal census, which as I mentioned earlier, in which we are evaluating various aspects specific to a nonsampling census as well as aspects related to either kind of census.

As mentioned previously, we have some 20 chartered groups assessing and evaluating a broad range of issues concerning the potential components that could be in a plan for conducting a census without sampling. Some of the potential changes might also be adopted in the sampling design if the analysis justifies it. Again, most of the things being considered are enhancements to components that could be in either census plan. As part of the plan expected in November, we will know whether any testing of new procedures or methods will be necessary or possible. We have provided each team's charter to your staff previously. I would like to discuss some of the issues that the teams are examining, but keep in mind that not all of these ideas will end up in the final nonsampling plan.

Questionnaire Development — We have designed and tested a new mailback questionnaire that would be required for the nonsampling census. This questionnaire could also be used for the census with sampling.

Questionnaire Delivery Strategy – The group is investigating the optimal mail delivery strategy that incorporates a modified mailing of a replacement questionnaire. Options being considered include 1) targeting a replacement questionnaire to households that did not return a completed questionnaire by a certain time, 2) sending a replacement questionnaire to all census addresses in areas that have anticipated low response rates, and 3) implementing a hybrid of the two approaches. The challenge is to determine a strategy that can be implemented within a nonsampling census schedule that will accomplish the purpose of increasing the mail response rate, thereby reducing the nonresponse workload, without sacrificing accuracy.

Administrative Records Program – Coverage Improvement--The group addressing this enhancement is investigating what files are available and usable to identify potential missed housing units and individuals in the time remaining. The group is assessing which files will provide the best address coverage and within-household person coverage. The group is also reviewing state and other laws concerning the sharing of files to determine what files can be made available to us and what files contain critical information needed for matching, such as ZIP Code. To aid in these assessments, we are

evaluating various administrative records sources as part of the Dress Rehearsal by matching the data on people and addresses from the administrative records to the Dress Rehearsal results. We will verify cases that do not match this fall so that we can evaluate the quality of administrative record sources for possible implementation in a census without sampling.

Vacant-delete Check – Staff are defining the operational plan for verifying the occupancy status of all cases originally identified by either the postal service or an enumerator as addresses without occupants or addresses that no longer are housing units. The group is investigating whether it is preferable to conduct this check during the larger nonresponse follow-up operation, or as a separate operation before or after nonresponse followup.

Nonresponse follow-up – This group is investigating the optimal duration and staffing needs for the enlarged workload of a census without sampling. Timing for this phase of the census is directly affected by the questionnaire delivery strategy. The group is also looking at ways to improve quality control, such as enhancing the process of checking on enumerators' work by reinterviewing households.

Be Counted Program – The group has identified possible enhancements to the program, such as using more generic sites (e.g., libraries) at which questionnaires would be available. Benefits and costs of expanding this program are being assessed. For example, increasing the use of Be Counted forms must be weighed against the potential increase in duplicate enumerations.

Coverage Improvement Program – This group is investigating the use and availability of data sources (both internal and external) to identify areas of high growth or of potential housing unit undercoverage for a possible recanvassing operation. We are investigating sources of addresses for new mobile home placements and information about clusters of addresses. The group is also considering using information from postal checks and data on requests for questionnaires to target areas for a recanvass operation. Additionally, the group is examining the possibility of conducting a second postal check of addresses (in addition to the one scheduled for late January) within two weeks of Census Day to identify addresses in new housing developments built since January 2000. New addresses would be followed up and enumerated.

Coverage edits – Within-Household Coverage--Coverage edits involve examining the questionnaires to determine if there are indications that a person has been missed. The group is investigating what types of coverage edits can be performed on both mail-returned and enumerator-returned questionnaires and what workloads would be anticipated. Households failing a coverage edit will be reinterviewed for a final determination of a household's composition.

Marketing and Partnership Programs – The group is studying the augmentation of the current advertising "one-message" approach. The current advertising campaign carries a single message: to remind, educate, and motivate the public to mail back the census questionnaire. The group is studying the use of two additional messages. One would be used in hard-to-enumerate areas to provide information on the purpose of the census and the community benefits to be derived from participation in the census. The other message would be used during the nonresponse followup operation in 2000 to generate public awareness about the operation and the importance of cooperating with enumerators.

The group is also investigating additional and innovative types of media, such as banners for city government buildings, shopping cart placards, shopping bags for commercial establishments, theater billboards and backlit transparencies for display in convenience store windows. Fact sheets, posters and promotional items would be expanded to include messages tailored to educate and motivate historically undercounted groups.

Outreach efforts would likely be intensified. Ideas under discussion include 1) intensifying efforts with existing Non-Governmental Organization partners (NGO's) and 2) securing additional partners with special emphasis on community organizations, businesses and churches whose constituencies are in hard-to-enumerate areas.

Post Census Review and Recanvass – This group is investigating the feasibility of incorporating a review of the census results by local and tribal governments, with a field operation planned to recanvass areas with potential coverage problems. Also incorporated in the field operation would be areas identified by Bureau analysts as potential problems. This post census review would give local and tribal governments an important opportunity to review preliminary census results.

Enumeration of Special Populations and Areas — This group is looking at ideas that could be used under both census designs as well as those that could be used only with a census with no sampling. In the former category, are increased use of team and blitz enumeration, which are intensive field enumeration techniques in areas with low mail response; using special training modules in selected areas, such as those with concentrations of recent immigrants; providing multi-lingual questionnaire assistance and employing multi-lingual enumerators; and involving employers as partners in the census by including inserts in pay envelopes. In the latter category, are augmenting the targeting database to point staff to specific areas that may need special attention based on such criteria as population density, income, or whether it is a rural or urban area; and mailing out a special letter to managers of mult-unit buildings or managers of hotels and motels to gain awareness and cooperation with the enumeration.

4 & 5. What preparations for implementation have been made? What resources have been expended in these preparations?

As I have mentioned before, the vast amount of decennial census resources the Census Bureau has used over the last 7 years have been spent on preparing to implement operations related to either a census with or without sampling. In FY1998 alone, we successfully conducted and are continuing to evaluate a full-scale Dress Rehearsal in three sites; we have begun our rural address listing to ensure that we have a complete address list in areas that do not have city-style addresses; we began the initial phase of our address list partnerships with local governments to dramatically improve the address list in areas with street addresses; we issued contracts for automated data processing and telecommunications; we opened twelve regional census centers and the census field offices needed to manage the address list development operations; and we dramatically increased Census 2000 promotion and outreach efforts through awarding a contract to manage the advertising program and to add the staff needed in our regions for development of partnerships with state, local, tribal, and private sector organizations. All of these efforts are preparations related to implementing either a census with or without sampling.

Specific to a census without sampling, I have mentioned above our progress on developing a nonsampling plan. Additionally, our FY1998 appropriations act provided $12 million for buying equipment for the 130 temporary local census offices that will need to be opened in early FY1999. In addition, we have spent $5.5 million for telecommunications, furniture, and making the sites ready for the automated equipment. We have also developed a management recruiting and training plan.

As mentioned earlier, we have also conducted work on developing a questionnaire that would be used for the census without sampling, as well as for the census with sampling.

7. & 8. What planning tasks are you implementing for FY99? What testing procedures are you implementing for FY99?

This November, we will be completing the assessments and evaluations of potential components of a plan to take the census without sampling, developing interim cost estimates, and constructing a master activities schedule. At that time, we will know whether any testing of new procedures or methods will be necessary or possible. We will complete the Dress Rehearsal program evaluations. In February, we will have a detailed plan for conducting a nonsampling census.

9. What steps are you taking in FY99 to be prepared to implement in the 2000 Census?

The bulk of our work in FY1999 is directed toward either census design including address list development, review, and update; preparing for data capture; establishing and staffing the field office infrastructure; questionnaire development and printing; and marketing and partnership programs. In addition, we will conduct any necessary and

possible testing and any operational preparations defined by the groups analyzing the census without sampling.

10. In FY1999, what programs, tests, contracts, or other expenditures are you planning to implement for the Administration's sampling plan that would need to be redone or modified at extra cost or loss of time if the present injunction of the court remains in effect, or if a decision is otherwise made not to implement the Administration's plan?

We are committed to continue implementing the agreed upon dual track approach to planning for Census 2000, until a decision is made by March 1999. At that point, we expect to be prepared to conduct a census with or without sampling. The bulk of our work in FY1999, including address list development and supporting field offices and data capture sites, is in support of either census design.

Mr. Chairman, that concludes my testimony. I will be happy to answer any questions.

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BERNARD SANDERS, VERMONT
INDEPENDENT

September 15, 1998

The Honorable James F. Holmes
Acting Director
Bureau of the Census
Room 2049, Building 3
Suitland Federal Center
Washington, DC 20233

Dear Acting Director Holmes:

Thank you for testifying before the Government Reform and Oversight Subcommittee on the Census on September 9, 1998. Because of time constraints, I was left with a number of questions unanswered and I request that you provide responses to the following questions:

1. Please contrast the scope of the following activities performed in the Dress Rehearsal in Sacramento, California with those in Columbia, South Carolina:

Advertising & Planning;
Quality Assurance; and
Marketing & Promotion.

As part of the contrast of the scope please detail the differences in the dollars spent and the Bureau personnel resources expended. For the South Carolina site, please explain what spending and resource increases were directly related to program enhancements implemented because it is a non-sampled site.

2. Please explain why you feel it would be necessary to open 130 temporary local census offices a year early if you were compelled to conduct non-response follow-up for the 10% of households currently "set aside" in the Administration's 2000 Census Plan. Are these 130 offices in addition to the local census offices being planned for the 2000 census with sampling? Would any offices be opened a year early if the Bureau continues with a sampled census?

3. You testified that there was a "significantly increased workload associated with a census that does not use sampling." Please describe this workload in detail. What portion of that significantly increased workload will occur before January 1, 2000?

4. Since November 15, 1997, which staff have been specifically hired to accomplish the planning for the dual track? What are their names and job descriptions? What are their dates of hire? What percentage of their workload has been devoted to the non-sampling side of dual track preparations?

5. What specifically are the 20 chartered groups mentioned in your opening statement? What are the names and missions of these groups? Who chairs each group and what is the phone number of each of these persons?

6. When will the Census Bureau have completed development of a census plan without sampling? You stated two dates in your testimony - November 1998 and February 1999.

7. You mentioned in your testimony that the Census Bureau has already developed a management recruiting and training plan specific to a census without sampling. Please produce a copy of that plan?

8. Could you please provide a direct answer to the following question which was submitted to you in advance of the hearing, but which you did not answer in your testimony: "In FY 1999, what programs, tests, contracts, or other expenditures are you planning to implement for the Administration's sampling plan that would need to be redone or modified at extra cost or loss of time if the present injunction of the court remains in effect, or if a decision is otherwise made not to implement the Administration's plan?" If there are no such programs, tests, contracts, or other expenditures, please indicate this. Otherwise, please provide a list of all programs, test, contracts, or other expenditures.

9. The Census Bureau provided us with a document entitled, "Status Report for Traditional Census," dated June 29, 1998. This document outlined plans for a traditional census, as agreed to by Congress and the Department of Commerce, such as User-Friendly Questionnaires, 100% Non-response Follow Up, more extensive enumeration activities, and expanded Local Partnerships and Community Outreach. These programs are critical to a successful census. What types of activities does the Bureau have in mind to enhance these programs? Has the Bureau begun to plan for these programs? If not, when will the Census Bureau make a decision about whether these programs will be implemented?

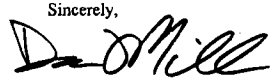
10. One of the innovative features of the 1990 Census which was not included in the design for the 2000 Census is use of administrative records, such as parolee/probationer. During the 1990 Census, the Bureau used a parolee/probationer program designed to enhance the enumeration. Have you been able to reassess this traditional census taking program which can significantly complement a full enumeration census? What efforts has the Bureau taken to implement this program for the 2000 Census?

11. During the recent dress rehearsal operations in both Sacramento, CA and Columbia, SC, the Census Bureau was able to increase the mail response rate by approximately 7% and decrease the need for costly nonresponse follow up visits by using a second mailing. Please explain the reasons behind the Bureau's decision not to conduct a second questionnaire mailing as a coverage improvement method for the 2000 Census, including whether one of the reasons for the removal of a second questionnaire mailing was the tight time frame needed to start and complete the Bureau's proposed Integrated Coverage Measurement (ICM). You said in your testimony the Bureau is investigating the use of a modified second mailing. I understand that there are time constraints on doing a targeted second mailing. Is the Bureau going to conduct this operation?

12. I am working with Congresswoman Carrie Meeks to enhance local participation in the Census process. We know that the Bureau is committed to hiring 10 percent of its work force from welfare-to-work rolls. What legislation for waivers do you need to be able to increase the number of welfare-to-work individuals hired for the 2000 Census?

Please provide responses to these questions by close of business, September 23, 1998. My questions and your answers will be part of the official record of the September 9, 1998 hearing. Again, thank you for your cooperation.

Sincerely,



Dan Miller
Chairman
Subcommittee on the Census

cc: The Honorable Carolyn Maloney

UNITED STATES DEPARTMENT OF COMMERCE
Bureau of the Census
Washington, DC 20233-0001

OFFICE OF THE DIRECTOR

OCT 7 1998

The Honorable Dan Miller
Chairman, Subcommittee on the Census
Committee on Government Reform and Oversight
House of Representatives
Washington, DC 20515-6413

Dear Mr. Chairman:

Thank you for your letter of September 15, 1998, transmitting the following questions subsequent to the subcommittee hearing of September 9, 1998.

1. **Please contrast the scope of the following activities performed in the Dress Rehearsal in Sacramento, California with those in Columbia, South Carolina:**

   Advertising & Planning;
   Quality Assurance; and
   Marketing & Promotion

   As part of the contrast of the scope please detail the differences in the dollars spent and the Bureau personnel resources expended. For the South Carolina site, please explain what spending and resource increases were directly related to program enhancements implemented because it is a non-sampled site.

It is difficult to draw a direct comparison between the Dress Rehearsals in Sacramento, California, and Columbia, South Carolina. The sites were chosen to test operational capabilities in different settings, not to assess the relative merits of a sampling versus a nonsampling plan. The objectives of the quality assurance program were identical for each site, and creative development for the advertising, which was contracted to Young & Rubicam (Y&R), was uniform across all three Dress Rehearsal sites. The Bureau did not expect Y&R to break out their activities for each site.

The Bureau does have figures for the media purchases in each site. $1,121,000 was spent for media purchases in Sacramento, and $628,000 was spent in Columbia. More was spent in Sacramento for two reasons:

1) Sacramento has more audiences, thus, more markets to buy. Columbia had two markets: General and African American. Sacramento had seven markets: General, African American, Hispanic in language (Spanish), Chinese in language (Chinese), Vietnamese in language (Vietnamese), Filipino in language (Tagalog), and Hmong in language (Mien).

2) Media costs are higher for the Sacramento site because the Designated Marketing Area (DMA) has a larger population base. As an example, the cost on average to buy prime time television in Sacramento is 232% higher than in Columbia.

Although fewer dollars were spent in Columbia, more television spots were purchased (3,263 in Columbia versus 2,308 in Sacramento), and more radio spots were purchased (1,859 in Columbia versus 1,388 in Sacramento). Newspaper insertions were greater in Sacramento (112) than Columbia (23) due to the larger number of language and community specific publications in the Sacramento DMA.

The Census Bureau, through Y&R, employed aggressive and innovative advertising strategies in the Columbia site to extend the advertising into the nonresponse follow-up (NRFU) period in an attempt to reach hard to count populations more effectively. The goal of this campaign was to increase the initial response rate and to pave the way for the partnership NRFU efforts by increasing awareness of the Dress Rehearsal. An additional $400,000 was invested over the original plan to extend the existing ads and develop new ads (for example, new billboards and posters) that were placed in paid space in unique locations, such as check-cashing parlors, convenience stores, and beauty salons. In these same types of locations, the Census Bureau developed products, such as shopping bags, brochures, and posters distributed by vendors for signage and give-aways. Examples of other nontraditional locations for ads included inserts in subscription newspaper polybags, shopping cart advertisements, and signs at sporting events. The Bureau also hired an additional Partnership Specialist out of the regional office dedicated exclusively to the Columbia site in order to identify outreach and promotion opportunities.

2. Please explain why you feel it would be necessary to open 130 temporary local census offices a year early if you were compelled to conduct non-response follow-up for the 10% of households currently "set aside" in the Administration's 2000 Census Plan. Are these 130 offices in addition to the local census offices being planned for the 2000 census with sampling? Would any offices be opened a year early if the Bureau continues with a sampled census?

It is the Bureau's opinion that in a traditional census, the 130 temporary Local Census Offices (LCOs) currently planned for Census 2000 will need to be opened one year earlier than scheduled in order to begin recruiting the extra enumerators needed for the NRFU operation. The current plan calls for collecting information from a sample of nonresponding addresses drawn to ensure that information is obtained from at least 90% of the addresses in each Census tract. This effort will require sending enumerators to 22.5 million addresses. In a traditional census, enumerators will have to visit all of the expected 34.5 million nonresponding addresses— an addition of 12 million, and an increase in the work load for NRFU of over 50%.

3. You testified that there was a "significantly increased workload associated with a census that does not use sampling." Please describe this workload in detail. What portion of that significantly increased workload will occur before January 1, 2000.

As mentioned above, the work load required for conducting NRFU for 100% of the nonresponding units will be 50% greater than that expected in the current plan for Census 2000, and it will require recruiting, hiring, and training enough enumerators to send to an expected 34.5 million addresses, rather than the 22.5 million addresses expected in the current plan. Most of this work will occur subsequent to January 1, 2000, with the notable exception of opening 130 temporary LCOs one year earlier than planned. This effort is already underway.

In addition to the significant increase in NRFU visits, a census that does not utilize statistical sampling will require follow-up efforts on 100% of the incomplete questionnaires received after the first phase of the enumeration. The current plan for Census 2000 requires only a computer check of the questionnaires that are returned by mail for evidence that coverage problems exist. Questionnaires flagged as having problems will be sent for a telephone follow-up to attempt to resolve the discrepancies, and the Integrated Coverage Management operation will account for coverage errors not corrected by this process. A plan that does not include sampling will require more editing and follow-up work on the questionnaires. During the processing of mail returns, phone-in responses, and check-in of enumerator-completed questionnaires at LCOs, the Census Bureau would identify all cases that require additional contact to ensure the accuracy of the reported information. These cases would include households that return a blank questionnaire in the mail, questionnaires with a discrepancy between the total number of household members and the number of people for whom census data are provided (for example, the questionnaire lists the names of four persons but provides information for only two), and questionnaires with other indications of coverage problems.

A traditional census will also require expanded partnership and promotion activities. The promotion and outreach program is designed to motivate people to respond. The Census Bureau is considering additional partnership and promotion activities in a traditional census. However, the time period for planned promotion activities will have to be extended to include a longer NRFU period. Finally, the Census Bureau would need to hire additional staff to provide at least one partnership specialist for each LCO.

4. Since November 15, 1997, which staff have been specifically hired to accomplish the planning for the dual track? What are the names and job descriptions? What are their dates of hire? What percentage of their workload has been devoted to the non-sampling side of dual track preparations?

There are approximately 205 staff members spending a considerable amount of time working on the development of a plan to conduct a traditional census. However, the vast majority of the work being done on Census 2000 will apply to both a traditional census and a census that uses statistical sampling. For example, the Census Bureau is currently conducting the rural address listing exercise, which will be required for either plan. Consequently, it is difficult to quantify the percentage of time that staff spends working specifically on one plan or the other.

5. What specifically are the 20 chartered groups mentioned in your opening statement? What are the names and missions of these groups? Who chairs each group and what is the phone number of each of these persons?

A list of the 20 chartered groups, along with the charter (previously provided to your staff) defining the purpose of each group and the issues they will address, is enclosed. For specific information regarding the work that any of these groups are doing, please contact Anthony H. Black, Chief of the Congressional Affairs Office, at (301) 457-2171.

6. When will the Census Bureau have completed development of a census plan without sampling? You stated two dates in your testimony - November 1998 and February 1999.

When the chartered groups mentioned above complete their examinations of the various components of a traditional census, Bureau staff will begin the process of integrating their analyses. By the end of November of this year, the Bureau expects to complete this process and: (1) identify specific elements to be included in a census without sampling, and (2) develop preliminary cost estimates for the potential components of the plan. By the end of February of 1999, a detailed plan will be in place.

7. You mentioned in your testimony that the Census Bureau has already developed a management recruiting and training plan specific to a census without sampling. Please produce a copy of that plan.

The Bureau's recruitment and training plans, both of which are enclosed, apply to either a traditional census or a census that utilizes statistical sampling. The difference is that more enumerators would need to be recruited and trained in a traditional environment. Under the current plan, we would recruit and hire enough census takers for our nonresponse operations to reach a total response rate of 90%. In a traditional census, enough census takers would need to be hired to complete NRFU operations for 100%. The Bureau's recruiting and training plans remain the same, but the number of people required increases.

8. Could you please provide a direct answer to the following question which was submitted to you in advance of the hearing, but which you did not answer in your testimony: "In FY 1999, what programs, tests, contracts, or other expenditures are you planning to implement for the Administration's sampling plan that would need to be redone or modified at extra cost or loss of time if the present injunction of the court remains in effect, or if a decision is otherwise made not to implement the Administration's plan?" If there are no such programs, tests, contracts or other expenditures, please indicate this.

As I tried to explain in my testimony, we will be prepared with a fully operational second track by the time of any decision that might be made early next year not to use sampling in the 2000 census. We will not have to re-do or modify the work previously done on the first track with sampling because the second track will stand on its own.

9. The Census Bureau provided us with a document entitled, "Status Report for Traditional Census," dated June 29, 1998. This document outlined plans for a traditional census, as agreed to by Congress and the Department of Commerce, such as User-Friendly Questionnaires, 100% Non-response Follow Up, more extensive enumeration activities, and expanded Local Partnerships and Community Outreach. These programs are critical to a successful census. What types of activities does the Bureau have in mind to enhance these programs? Has the Bureau begun to plan for these programs? If not, when will the Census Bureau make a decision about whether these programs will be implemented?

All of these issues are currently being explored by the chartered groups mentioned above. When these groups complete their examinations, Bureau staff will integrate their analyses, and by the end of November of this year, the Bureau expects to have a plan in place to conduct a census without sampling. A detailed plan will be completed by the end of February 1999.

10. One of the innovative features of the 1990 Census which was not included in the design for the 2000 Census is use of administrative records, such as parolee/probationer. During the 1990 Census, the Bureau used a parolee/probationer program designed to enhance the enumeration. Have you been able to reassess this traditional census taking program which can significantly complement a full enumeration census? What efforts has the Bureau taken to implement this program for the 2000 Census?

One of the chartered groups mentioned above is currently addressing this issue. There has been limited testing to determine if residential addresses from administrative records might enhance the census address list. Under consideration as part of a traditional census design is a plan to add selected addresses from administrative files (for example, IRS, HUD) to the census address list. Also under consideration is a coverage improvement operation whereby names and addresses from administrative records are computer matched to census records and selected unmatched cases are sent to a follow-up operation for confirmation of residence on census day. Research that is currently underway must answer questions about which administrative files to use, what screening variables to use in selecting records that are most likely to be missed residents, and the work loads expected for such an operation.

Direct addition of administrative records to the census counts without confirmation by a follow-up visit or call is not being considered at this time. The erroneous enumeration rate from the 1990 Parolee/Probationer Program (57%), and subsequent testing of administrative records in the 1995 and 1996 census tests, provides strong evidence that persons on administrative records that do not match census records are frequently not residents at the address on census day. Therefore, adding administrative record information of unmatched persons without confirming evidence would introduce errors into the census results.

11. **During the recent dress rehearsal operations in both Sacramento, CA and Columbia, SC, the Census Bureau was able to increase the mail response rate by approximately 7% and decrease the need for costly nonresponse follow up visits by using a second mailing. Please explain the reasons behind the Bureau's decision not to conduct a second questionnaire mailing as a coverage improvement method for the 2000 Census, including whether one of the reasons for the removal of a second questionnaire mailing was the tight time frame needed to start and complete the Bureau's proposed Integrated Coverage Measurement (ICM). You said in your testimony the Bureau is investigating the use of a modified second mailing. I understand that there are time constraints on doing a targeted second mailing. Is the Bureau going to conduct this operation?**

The decision to suspend the blanket second mailing of questionnaires in Census 2000 was based on analyses that indicated that there is considerable risk that such an operation could reduce the accuracy of the census. The Census Bureau asked the National Academy of Sciences (NAS) and other advisory panels to review a design that used a blanket second mailing strategy. Members of the NAS committee expressed concern that such an approach could create the following risks: increased costs for dealing with a large workload of duplicate forms; greater inaccuracy resulting from a significant increase in duplication; and, adverse public reaction that could actually lower mail response, resulting in more nonresponse follow-up and increased costs for field data collection.

Preliminary results from the Dress Rehearsal indicate that the second questionnaire increased the response rate by 6-8%. However, there were a significant number of complaints from the public when they received the second questionnaire, and 40% of the households responding to the second questionnaire also responded to the first questionnaire. The Bureau does not yet have good data to document and quantify the costs associated with unduplicating these records.

12. I am working with Congresswoman Carrie Meeks to enhance local participation in the Census process. We know that the Bureau is committed to hiring 10 percent of its work force from welfare-to-work roles. What legislation for waivers do you need to be able to increase the number of welfare-to-work individuals hired for the 2000 Census?

In compliance with the Federal Welfare-to-Work initiative, the Census Bureau is committed to hiring 4,000 welfare recipients by FY 1999, with additional hires in FY 2000. The States have emphatically expressed their concern that exempting Census income from Temporary Assistance to Needy Families (TANF) eligibility would be counter to the principle of "personal responsibility" and the transfer of control to state governments embodied in the 1996 Welfare Reform legislation. However, the States are not necessarily opposed to waivers determined by their own governments.

In cooperating with the states in this matter, the Bureau is meeting with success in its efforts to promote Welfare-to-Work initiatives through partnerships in lieu of legislative waivers. Efforts include developing an arrangement with the Health Care Financing Administration to encourage states to submit amendments to their Medicaid and Child Health Care Insurance Programs. This will allow state governments to disregard temporary Census income in those programs. The Bureau also secured a commitment from the Department of Housing and Urban Development to exempt temporary Census income from eligibility calculations for Public and American Indian housing programs. In each case, the exception both supports Welfare-to-Work initiatives while remaining consistent with the respective agency's program objectives. Finally, the Bureau is also working with the Department of Agriculture to revisit the possibility of exempting Census income from Food Stamp determinations.

Thank you for your interest in Census 2000.

Sincerely,

James F. Holmes
Acting Director

Enclosures

cc: The Honorable Carolyn B. Maloney

Mr. MILLER. Thank you very much. Mr. Holmes, this may be your last time, we don't know, before the committee. I know they're having hearings next week in the Senate concerning the appointment of the permanent director for the Census Bureau, but it's been a pleasure working with you.

Mr. HOLMES. Thank you.

Mr. MILLER. Mr. Shapiro, I'm not a lawyer either, but I did, you know, read that document. I mean, you've raised the question. I did read all 71 pages, I believe it was, and it was a unanimous consent decision by three judges, including one by a Clinton appointee, and that specifically addressed the case where we only count 90 percent of the population, rather than back in the 1990 census when it was tested before as such, where we used it to really supplement the full enumeration.

There is a difference. In fact, it bothers me when I see in the media, when reporters say we're only going to supplement the full enumeration. We're not. We're only counting 90 percent of the people, so there's a difference between supplementing versus the full 90 percent.

With respect to the money issues, let me comment on the 50 percent, the problem was we couldn't get information from the Census Bureau. With Mr. Rogers and his committee, we've been trying to get cash-flow information. When we had the markup, I think we received the information that day or the day before. And we're willing to work, along with Mr. Rogers in the Appropriations Committee, to work out a cash-flow with the Bureau, and I think our staff and your staff have been working on that number.

And I want to make sure you also know that we are aware of the potential problem October 1 if there is a CR that week, and we will do everything we can to make sure that—the amount is ramped up for the beginning of October. We recognize that's a problem. So we're willing to work on the cash-flow issue, and as I say, I think our staffs have been in communication on that issue.

Mr. SHAPIRO. I appreciate that very much, Mr. Chairman.

Mr. MILLER. With respect to the budget issues and the money issues and the sincerity of the administration, of the President, moving this toward the dual approach, in his budget request earlier this year, I'm going to quote from it, he said,

> Funding in the Decennial Census request assumes the use of sampling in the 2000 Census. Funding is also requested for planning and testing census methodologies and requiring additional field offices in compliance with the Congress's two-track approach. The administration has not included additional funding for nonsampling census activities because that funding is not required by the agreement. The administration remains fully committed to the use of sampling in the decennial census.

When you see that statement, and I know neither of you all were, I think, directly involved in the preparation of the budget, but when you see that from the President, it doesn't show sincerity that they are really working for the dual approach and looking for a full enumeration. How else can you interpret that, when they say, "we're not working"? I mean, you know, "the administration remains fully committed to the use of sampling," and that is not required to use for a nonsampling census. I keep getting this message that we're not interested in doing full enumeration.

Has there been a change since the beginning of the year?

Mr. SHAPIRO. Well, the administration request, as I understand it and as I analyze it, was the amount required to preserve the option of pursuing a traditional census, Mr. Chairman, and my expectation is that certainly there would be additional funds requested if the decision were taken by Congress to pursue a traditional census, since the original budget request only covered the first 5 months of fiscal year 1999.

Mr. MILLER. After the court ruling, which plan is the main plan? The main plan has been sampling; that's been full speed ahead. The Census Bureau are they still going full speed ahead for sampling and just making a token effort for full enumeration, or are you making a full effort for full enumeration now? Has it changed?

Mr. HOLMES. Not that I want to be disagreeable, Mr. Chairman, but I think it's unfair to say that we have been giving less than an honest effort to planning a census that does not include sampling. As I described in my written statement, and we've said it a few times here today already, there are a number of activities that are common to both censuses, whether it's one that uses sampling or one that does not use sampling.

I think it's also important to put in context what we're talking about—even though I was not here, it was not until November of last year that the Census Bureau had any guidance from anyone that we should be doing anything other than preparing for a census with sampling, also keeping in mind that over the past 7 years the census planning process has already gotten started.

So when I say I think it's unfair to characterize our efforts as not giving full support to planning for a census without sampling, what I'm getting at is that we have put an enormous amount of effort and resources over the past few months into preparing to do a census that does not include sampling, if that's in fact what we're directed to do. And we've also talked about preparing a plan that we will have for you. The fact that we've put together 20 teams to work on this process does not suggest that we're not taking it seriously.

But I think it's again unfair to characterize the fact that way. The way it's stated is as though we're not doing very much. I don't think that's a fair statement.

Mr. MILLER. You requested, what, $123 million in your budget request to the White House for full enumeration, and they only gave you $36 million; is that correct?

Mr. HOLMES. That's correct.

Mr. MILLER. Now, to me that indicates that the White House, I mean, is not interested in doing a full enumeration. I mean, they just don't want to put the effort into it and they don't want to even request the money for it.

Mr. HOLMES. Again, I would disagree with that, Mr. Chairman. The request that was made was based on the Census Bureau's best judgment of what we thought we might need under certain circumstances. But, again, based on what I think I understand about the agreement that was reached in November of last year, that agreement talked about leaving the option open. And the fact that we are opening 130 offices, we've gotten funds for that, those are the kinds of things that we have been looking at to move ahead and be ready to do a census without sampling. That does not sug-

gest, again, that we're not paying attention to it or that it is not important.

Mr. MILLER. Is the main plan still sampling?

Mr. HOLMES. There's no such thing as a main plan, Mr. Chairman.

Mr. MILLER. You're saying they're on an equal basis right now?

Mr. HOLMES. What I'm saying is that we started the process for planning census for 2000 7 years ago. The recommendations that came from the statistical community and the professionals at the Census Bureau said that if we wanted to get the best possible count in the year 2000, we had to use sampling. That is what we've been working on. And, again, we were not told until November of last year to do something different. We are working very, very hard to have a plan for you come November that does not include sampling.

Mr. MILLER. You know, the White House approved $36 million in their budget but you asked for $123 million. What was the additional money for?

Mr. HOLMES. Some of it, if I'm not mistaken, was associated with staffing for some of those offices. But to be honest, as I said, I was not here, so I can't speak to all of the specific details.

Mr. MILLER. Mr. Shapiro, you mentioned that if we go for a full enumeration we're going to need an emergency supplemental, right?

Mr. SHAPIRO. Well, what I said, Mr. Chairman, was that the administration budget request only covered the first 5 months of fiscal year 1999 costs of preparation and planning for a traditional census. And if the decision were taken at that time to pursue a traditional census, and the Congress provided only the funds that the President had requested, the administration would have to request a supplemental for the remaining 7 months of the year. I was simply describing the administration's——

Mr. MILLER. The emphasis of the administration is still on sampling, and this is a secondary approach which is only going to be, most likely going to be the approach that we're going to take, is full enumeration. And you're still going to require congressional action next year, and yet you're opposing the idea of a fence which requires congressional action.

We've got to have congressional action if we do full enumeration. It seems like you should have at least put that in the budget if you're sincere and serious about both options. I will tell you my time is about up, so Mrs. Maloney?

Mrs. MALONEY. Thank you, Mr. Chairman.

We all know that opponents of using modern scientific methods have come up with several proposals to counter the scientific plan put forward by the National Academy of Sciences, put in place by the Bush administration, put in place by Dr. Barbara Bryant, the former Republican appointee at the Census Bureau, to correct the undercount.

But I would just like to see and hear from you. We all know, and it's unrefuted, that the 1990 census missed nearly 4 times as many blacks as nonblacks. Now, how are we going to correct this if we don't go forward with the plan put forward by President Bush, Dr. Barbara Bryant and the National Academy of Sciences?

Some have suggested that increasing the advertising budget will reduce the racial bias that we saw in the 1990 census. I would like to simply ask either one of you, will increasing the advertising budget reduce the racial bias that every American wants to correct? Will it?

Mr. SHAPIRO. The advertising campaign is primarily directed at raising public awareness of the census and increasing the mailback rate. It's much cheaper for the government to collect the information if people will mail back their forms than if we have to send enumerators out to knock on their doors.

Mrs. MALONEY. I understand that, Mr. Shapiro, but will that reduce the racial bias that we've seen?

Mr. SHAPIRO. No, no.

Mrs. MALONEY. It will not?

Mr. SHAPIRO. No, because advertising really is—cannot be targeted—the problem of the undercount is not people who are not aware of the census. The survey showed that virtually everyone, by the time of the census, everyone is aware of the census. It's really designed—it's a cost-effective measure to increase people's inclination to mail back the form as opposed to waiting for an enumerator to come to the door.

Mrs. MALONEY. OK. Well, I'm getting back to the point that I'm trying to make. How are we going to correct the racial bias that we saw in the 1990 census. So I would like to ask, will increasing the number of community outreach specialists reduce this racial bias in the census? Will that reduce it?

Mr. HOLMES. No.

Mrs. MALONEY. It will not?

Mr. HOLMES. No, it will not.

Mrs. MALONEY. And why will that not reduce it?

Mr. HOLMES. Because that's an activity that we have had in past censuses. It will give us a little bit of an advantage in terms of reaching some segments of the community, but it's clear that there's certain segments of the population that have no interest in participating in the census, and hiring outreach specialists is not going to cause them to change their mind.

Mrs. MALONEY. Will the use of administrative records reduce the racial bias in the census? We know that nearly 4 times as many blacks as non-blacks are missed. Will using administrative records, which has been suggested, reduce it?

Mr. HOLMES. No, it will not. Again, we've used administrative records in past censuses, and we've had mixed results. One of the things that we all need to keep in mind when as we continue to talk about administrative records is that you also raise the risk of introducing more errors, which complicates the process.

Mrs. MALONEY. Will the use of Postal Service employees to conduct the census reduce this well-documented undercount and racial bias in the 1990 census?

Mr. HOLMES. No.

Mrs. MALONEY. It will not. In other words, none of the suggestions on how to conduct the census offered by the opponents of a scientific census would reduce the racial bias in the census; is that correct?

Mr. HOLMES. That is correct.

Mrs. MALONEY. So we have really before us no alternative to correct the undercount unless we go forward with the plan put forward by the National Academy of Sciences and the Bush administration; is that correct?

Mr. HOLMES. That's correct.

Mrs. MALONEY. I would like to go to a point that has been raised in this committee actually, and by some Members of Congress in conversations that I have had with them. Some Members of Congress seem to believe that the 1990 census was a tremendous success in Milwaukee and Cincinnati. It's my understanding that the undercount in both cities was 2.2 percent and that is considerably higher than the 1.6 percent national undercount and nearly 4 times the 0.6 undercount measured in Ohio and Wisconsin. Is that correct? And if so, is that a model to be used in designing the 2000 census?

Mr. HOLMES. The information that you stated, from what I'm told, is correct; and I would agree that that's not a model that would yield the kind of increased coverage and more accurate census that we're interested in producing.

Mrs. MALONEY. My time is almost up, too. The light is on. I would like to join the chairman in thanking you, Director Holmes, for your many years of professional service at the Census Bureau. I think you've done an outstanding job. And personally, I think, Mr. Chairman, we should let the professionals at the Census Bureau do their job and go forward with the plan that they have in place on both tracks.

Mr. CHAIRMAN. I look forward to following up. I was a little surprised by Mr. Holmes saying there's nothing you can do to help address the problem, and Mr. Schultz and others talk about a lot of issues and suggestions, and I think we need to talk about that some more.

Mr. DAVIS. That's not really a can-do attitude, is it? Also your plan is not the Bush administration plan, is it?

Mr. HOLMES. I'm sorry, I don't understand.

Mr. DAVIS. Your plan is not the Bush administration plan, is it?

Mr. HOLMES. I'm not sure I understand your question.

Mr. DAVIS. Mrs. Maloney had talked about outside the Bush administration plan you couldn't get this done, but the administration's put their foot forward is not what the Bush administration put forward.

Mr. HOLMES. What I——

Mr. DAVIS. The Bush administration, as I understood it, you count as many as you could. You look at the PES and see if that helps, but you didn't just stop and not do a full enumeration to begin with.

Mr. HOLMES. Again, that was not my understanding of her question. My understanding of her question was associated with the Census Improvement Act that was passed by the Congress in 1971 and signed—I'm sorry, 1991, and signed by President Bush, that directed the National Academy as well as the Census Bureau to come up with the best way to do a census.

Mr. DAVIS. But that's not a Bush plan. Let me say this. I looked at some of these court decisions and, you know, each of the cases that have been talked about that were contrary to the recent find-

ing that dealt with the use of sampling to supplement a full enumeration, unlike the present plan which is only to enumerate 90 percent of the population. And, of course, all these cases precede *Wisconsin* v. *the City of New York* where the Supreme Court stated that Congress has not enacted legislation to compel a statistical adjustment to the census. Interesting, in *the City of Philadelphia* v. *Klitznick,* the Court began with the conclusion that the framers were not concerned with the manner of conducting the census, but in an interesting footnote, they note that while statistical adjustment factors may be used in arriving at the final census figures, the Constitution would appear to require that the census at least be based on raw data obtained by an actual head count.

So it seems to me that you can differentiate those other cases, because here they were starting with a full head count first and then supplementing it later. In this case we're not even starting with a full head count.

Mr. HOLMES. Again I—I'll make the same statement that Mr. Shapiro made. I'm not an attorney and that's your interpretation. There are people—and I don't mean this to be flip, but there are—at a much higher pay grade than mine that do those kinds of things.

Mr. DAVIS. They just made a decision on that.

Mr. HOLMES. I'm here as a professional statistician that's worked for the Bureau for 30 years. I'm not interested in the law part. I'm interested in producing the best census possible.

Mr. DAVIS. You are interested in the law part. Eventually you're the law.

Mr. HOLMES. I understand that. There's no way I can debate you on the merits of the legal issues at this point.

Mr. SHAPIRO. I'm not surprised to learn that lawyers disagree as much as economists do. But——

Mr. DAVIS. Or statisticians.

Mr. SHAPIRO. Or statisticians. But lawyers have an advantage, and that is, there is a court of final appeal. Economists don't have that. Neither do the statisticians. And we're very eager to have the legal issues settled by the Supreme Court.

Mr. DAVIS. Let me ask this. If 13 U.S.C. 141(a) refers—it refers to special surveys; what are the special surveys? How are they used? Are they used for purposes of determining the population for apportionment purposes?

Mr. HOLMES. We do a series of special surveys. The first one that comes to mind is the current population survey. I'm sure that most of you probably remember last Friday that the unemployment statistics for the country happened to be released. That's one of the surveys that we conduct. We also conduct surveys on housing starts. All of these are sample surveys. The information that you get that's associated with a number of new homes that were started, the number of new homes that were sold, the costs of those homes, value put in place, all of those are sample or special surveys that we conduct.

Mr. DAVIS. Would any of those be used in determining the population for apportionment purposes?

Mr. HOLMES. No, those surveys are specifically designed for special purposes.

Mr. DAVIS. Special surveys would not include anything to do with the apportionment purposes?

Mr. HOLMES. No.

Mr. DAVIS. If the courts were to set aside the 2000 census after it was conducted, how long would it take you to reconduct the census?

MR. HOLMES. Repeat your question again.

Mr. DAVIS. If the courts were to set aside the 2000 census after it was conducted, how long would it take to reconduct the census?

Mr. HOLMES. To be honest, Mr. Davis, I have no idea. Again, I don't mean this to be flip, but that is a "what if" question. It would depend on the type of census that we would be required to do.

Mr. DAVIS. All right. Why don't you go through the various scenarios? If you had to do an actual enumeration, how long would it take?

Mr. HOLMES. If we're talking about something comparable to the plan that we're talking about now——

Mr. DAVIS. Let's talk about an actual enumeration first and then——

Mr. HOLMES. The plan we're working on now, is an actual enumeration. And the time period for that census day would be April 1, and the time period for delivering the counts to the President would be the end of December.

Mr. DAVIS. So you could do it in, what, 8 months roughly?

Mr. HOLMES. What I'm saying is that the collection portion could be done in that time period. That's what we're planning to do, but there's an enormous amount of work that's associated on the front end. That's why I said it's difficult to play "what if."

Mr. DAVIS. All right. Thank you.

Mr. MILLER. I'm always baffled, not being an attorney, but the administration's argument against this whole issue is standing rather than on the facts of the case, is standing and saying we don't want the thing decided until after 2000.

Mr. Snowbarger.

Mr. SNOWBARGER. Thank you, Mr. Chairman. I have several lines of inquiry here. I'm not sure which to start with and which to finish with. I was taken by comments that both of you made about the funding. And I think one of you went so far as to say if there was even a delay of 1 day in funding, it would cause the 2000 census to fail. I guess my question to you: If funding is all that critical, why are you suggesting that the President veto this bill? Commerce, Justice, State?

Mr. SHAPIRO. Whether or not the President vetoes the bill, of course, will be up to the President. We're here simply to provide the information to you, as is provided to all other authoritative parties, of the consequences of a reduction in funding for the Census Bureau on October 1.

Mr. SNOWBARGER. Are you trying to suggest to me that you are not recommending that the President veto the bill? Sign the bill so that you'll have your funding available?

Mr. SHAPIRO. That's above my pay grade, Congressman. I just don't make those recommendations.

Mr. SNOWBARGER. Well, I think somebody in the Department has made the recommendation for veto and that's very inconsistent

with what both of you are saying about the necessity of funding continuing on a regular basis.

Let me go on to something else. I was also concerned by the litany of programs that you find unable to deal with the undercounts, and particularly those in minority areas. And I'm concerned about a statement that basically said that it's not a matter of people not knowing about the census; it's that they go out of their way to avoid the census. I mean, that may be a little strong——

Mr. HOLMES. No, that's not too strong. That's a correct statement.

Mr. SNOWBARGER. OK. When we talk about advertising campaigns, I think we are trying to suggest that there may be ways the census, as a project, should be sold that would want people to participate in that. Has any effort gone into developing those kinds of advertising?

Mr. HOLMES. Yes. As a matter of fact, there may have been some misunderstanding of my comment and Mr. Shapiro's comment. We're not suggesting that those things are not part of the process for 2000, but what we are saying is that that's not the silver bullet. That will not resolve the problem because there's still segments of our society that will not be interested in that message. It's like—it's probably hard for some people to understand, but there are segments of our society when you walk up and say, I'm from the government and I'm here to help you—that do not believe you.

Mr. SNOWBARGER. I'm fully aware of those segments of society. My concern is that we've known about that aspect of enumerations probably for as long as we've done census counts.

Mr. HOLMES. That's true.

Mr. SNOWBARGER. We don't seem to be making any progress toward that undercount. You are now faced with probably better than an even chance that you're going to be doing an enumeration if the Court holds out. That's an if. But I don't hear you making any suggestions or any comments about how you intend to address the undercount. You've been critical of all of the other suggestions that have been made, but frankly you shouldn't look at Congress to make those suggestions. You guys are the professionals. You may be stuck with a method you don't like, but it would seem to me that you need to come up with answers that are going to address those problems.

Mr. HOLMES. Again, I appreciate your comments, Mr. Snowbarger, but again I think there's, again, a misunderstanding or a misstatement. We're not being critical of the Congress. All of those issues that you raised are absolutely true, and that was part of the reason that the plan was developed that we were looking at to use sampling to augment traditional enumeration.

Mr. SNOWBARGER. But what if you're left without that option?

Mr. HOLMES. Well, again, as I mentioned earlier, we have some 20 teams that are working very, very hard to produce a plan that does not include sampling, and that's going to be available in November.

Mr. SNOWBARGER. So November you'll report to us what you have proposed instead of advertising and instead of all these other things you indicated are not the silver bullet? You'll provide us with the silver bullet, I gather.

Mr. HOLMES. I didn't say we'd provide you with a silver bullet. Because our sense is even with all of these additional things, there may only be some marginal improvements in coverage but those marginal improvements will not come close to the kinds of increases in coverages and accuracy that a census with sampling would produce.

Mr. SNOWBARGER. Apparently Secretary Daley is urging the President to veto the bill. Are you recommending that the President veto the Commerce, Justice, State appropriations bill?

Mr. HOLMES. Again, I could only make the same statement that Mr. Shapiro made. That's the Secretary's call. That's not Jim Holmes' call.

Mr. SNOWBARGER. You agree with the Secretary's call?

Mr. HOLMES. If it means that the kinds of things that we need to do, for the most accurate and cost effective census for the year 2000, if that's what it means, yes.

Mr. SHAPIRO. Congressman, if I could just clarify. The Census Bureau kind of operates with inadequate C.R.; that is, inadequate that a C.R. which provides a waiver for the vital activities that would harm the census until the disagreement between the Congress and the President on this—on Commerce, Justice, State were resolved. So if the President does veto—if the bill contains that provision, provision that the President thinks would harm the census, and to the degree that he believes justifies a veto, and he does veto that, so long as the C.R. provides the funds for the vital activities to go on, the Census Bureau can continue to operate until that issue is resolved.

Mr. SNOWBARGER. So you're recommending that the President veto?

Mr. SHAPIRO. As I say, I don't—the President hasn't asked for my recommendation. But if the Secretary did, I would advise him, yes.

Mr. SNOWBARGER. Aren't we looking at a Supreme Court opinion to settle this difference between the executive branch and Congress? And, if so, how long is that going to take and how long can you survive on a C.R. that lets you barely get by and still be prepared for the year 2000?

Mr. SHAPIRO. Well, we're hopeful—the Solicitor General has filed his notice of appeal and jurisdiction and there are some other terms that, again, Mr. Miller and I may not know but others of you probably do, and is hopeful for, I am told—I'm advised that we're hopeful for a November hearing which could bring a fairly speedy Supreme Court resolution in December or January.

Mr. SNOWBARGER. Mr. Chairman, thank you for your indulgence. I yield back.

Mr. MILLER. Let me clarify something up, Mr. Holmes. When the question was asked about veto—are you in effect saying that if it's not a sampling census, they should veto it?

Mr. HOLMES. No, that's not what I said. I didn't refer to sampling or non-sampling. What I referred to is the Census Bureau's ability to get the work done that we need to get done. That's regardless of what kind of a census we do. Again, remember I said earlier that a substantial amount of the work that we're doing is common to both sampling and non-sampling.

Mr. MILLER. Mr. Shapiro, you previously talked about the role of Congress in the census, and I appreciate that. But in fairness, I still don't see a willingness on the part of the administration to allow Congress to play a role in the decision. And what the fence in effect does, it says we're going to make a decision together next spring. Administration says, no, we don't want Congress to be involved in this at all. What the fence does, it just says the decision we make next spring when we agree the decision has to be made, the sooner the better.

But have you got any other suggestions of how to address this so that Congress and the President jointly are involved in this?

Mr. SHAPIRO. Well, I think we have to begin with the commitment that I believe all fair-minded people share, and that is the sincere commitment to conduct the census in the most accurate, fair, and cost-effective way possible. That's the commitment of the Department and the commitment of the Census Bureau, and I know that's the commitment of you, Mr. Chairman. And I have not given up on the different parties to this discussion coming together and figuring out a way to address the legitimate concerns of all sides and agree to an approach to the census which is consistent with the scientific evidence and consistent with people—the various people's concerns. I offer my own services in whatever way I can, Mr. Chairman, to facilitate that and I know that other members of the administration do as well.

Mr. MILLER. You agree and I assume the administration agrees that Congress has a role in this decision.

Mr. SHAPIRO. Oh, absolutely. Absolutely.

Mr. MILLER. I don't understand what the problem of the fence is. We're going to make the decision next spring whether we need to do a supplemental, which will be an act of Congress, or the full appropriation.

Let me go back to Mr. Coehlo's comments if I may, because this is a difficult time for all of us here in the House and it will be over the next days, weeks, months, and the issue is how we are struggling with the President's credibility. Mr. Coehlo makes such a direct link between the President's problems and the census. The question is, how are we supposed to react? We've been told that, what we suspected for a long time, the President is going to use his veto not for substance but for distracting the country from his own crisis in leadership. And I say this with sadness and regret. But you are going to have a hard time convincing a lot of us that we haven't been dragged into a political damage control effort, completely unrelated to the census.

My question is, how do we go about addressing this credibility problem with the administration? Because it's out there in the media now. You hear it: The veto is coming, because the President needs to distract from his current problems. What can we do to help the administration, the Census Bureau, the Commerce Department, seriously address this issue?

Mr. SHAPIRO. If I can say so, Mr. Chairman, there has been too much politics in this entire debate. This is really not a debate about politics. The census is about much more important things. The census is about our ability to distribute $180 billion a year in Federal funds in accordance with the law and ensure that it doesn't

systematically misallocate our funds because the numbers aren't right. It's about providing the data that city and State and Federal Governments use to implement every law, to evaluate every law, to decide where to build schools, how many schools and hospitals to build, where to put sewers. It's really about the quality of the daily life of every American. That's why we are so committed to pursuing a census that we believe will be most accurate.

And there are characterizations now of the President's position as political, as there have been characterizations of the opposition's position as being motivated merely by politics. I really hope that we can step back from that debate and join in a common effort to figure out how to get the accurate data that the American people so vitally need.

Mr. MILLER. I hope so. I would agree. Let me ask quickly, you speak of the dual track in a positive manner; right?

Mr. Shapiro, your comments were positive on the dual track, that we are moving along in dual track.

Mr. SHAPIRO. I am positive about the sincerity and dedication of the Census Bureau in following the direction of the Congress, yes.

Mr. MILLER. Is there a change of heart in this attitude as far as a dual track? My impression was everybody was opposed to dual track months ago.

Mr. SHAPIRO. Let me try to clarify it, Mr. Chairman. We believe in the census 2000 plan. We believe that the weight, the vast, vast weight of scientific evidence and analysis says that it's the only way to get truly accurate numbers on which so much rests. We are sincerely dedicated to that plan. We are also sincerely dedicated to carrying out the law. And the law has required a dual track preparation and we—the Census Bureau and the Commerce Department—are as sincere about obeying the directives of Congress as we are about promoting the most accurate plan for the census.

Mr. MILLER. Mrs. Maloney.

Mrs. MALONEY. Mr. Chairman, I appreciate your extending an olive branch to work together, yet you continue to try to politicize this and to really distract from the major policy decision that is before us. And there is no policy distraction. There is no distraction.

President Clinton has consistently stood up for getting an accurate count. When he vetoed the flood bill because there was antiscientific methods, antisampling methods—and I might say that every editorial board practically in the Nation agreed with him, practically every scientific and professional organization agreed with him, and the professional staff of the Census Bureau. And I could add, many Republicans agreed with him, and we have stacks of letters that have been reported in the press where certain Republicans have written to the Census Bureau calling for scientific methods to be used.

I respect the Speaker greatly, but there is a particular letter from the Speaker of the House, Mr. Gingrich, calling for accurate methods. So when the President vetoed the flood bill because they tried to stop an accurate count, he was standing up for fundamental policy. Again when he would not go along with a budget that had antisampling, antiscientific methods attached to it, he was standing up for a fundamental policy belief that every American should be counted.

I remember one testimony before our committee where I believe it was a representative from the NAACP gave the statement that—I'll never forget it, I thought he hit it right on the head. He said, "My definition of stupidity is to know you're doing something wrong and to continue doing it."

We know that the 1990 census was wrong, that people were missed, and that most of the people that were missed were minorities. So we can either continue missing people or we can work to correct the plan. That is what Congress asked the Bush administration to do. They asked the National Academy of Sciences to come forward with a plan. The plan that the National Academy came forward with is the one that Dr. Barbara Bryant began to implement, which was followed by Dr. Riche, and is now being followed by Dr. Holmes, with the adjustment Congress dictated of having a dual track.

So I really resent your raising Monica Lewinsky at this hearing, quite frankly. What we're talking about is fundamental policy that is important to this country, counting every American. And when the President vetoed the flood bill, with every editorial board supporting him, when he spoke up against the budget that had antisampling, and again every editorial board supported him. I think we need to get back to the substance and not cheap political rhetoric.

I would like to ask the gentlemen, without scientific methods, to followup with, really, Mr. Snowbarger's comments earlier, what kind of effort do you think it will take to achieve a count that is more accurate in 1990 and that substantially reduces the persistent disproportionate undercount of minorities and the poor?

Mr. SHAPIRO. I think it's important to remember that the 1990 census was the best-executed census in American history. The problems with the undercount did not occur because it wasn't executed well. It occurred because there's a misfit between the traditional methods of collecting the data and the developments of American society. We have seen no evidence that would lead us to believe that the National Academy of Sciences was incorrect in its judgment that, in effect, no matter what you did with traditional methods, you would still have a very serious undercount.

Mrs. MALONEY. Well, specifically, Mr. Shapiro, Director Holmes, how many more census takers might you need to achieve that result?

Mr. HOLMES. Well, using the Census Bureau's plan, we would be looking at—and rather than talk about the number of people, let's talk about the number of households that we estimate that we'd have to followup on. We're talking about following up on somewhere in the neighborhood of 22½ million households, using the Census Bureau's plan. In a non-sampling environment, we would be looking at following up on at least 34 million. The number could conceivably be even higher than that.

Mrs. MALONEY. Would we need to keep local census offices open longer?

Mr. HOLMES. Yes, we would.

Mrs. MALONEY. And would you reintroduce coverage improvement programs used in 1990 in an effort to improve coverage?

Mr. HOLMES. There's a chance that we would.

Mrs. MALONEY. My time is up. I do have many more questions.

Mr. MILLER. Mr. Davis.

Mr. DAVIS. In terms of dealing with the substance and not the cheap political rhetoric, I have read the letters from the Speaker and others who wrote. Those letters, Mrs. Maloney, were about money flowing into the States. It was not about the apportionment at that point when those letters were written. And there were a number of letters from Democrats that opposed sampling at that point because they thought it would hurt their States. So I want to put that in the appropriate political context which I think those letters deserve.

Let me ask you this: To your knowledge, has there been any discussion in the Census Bureau or Department of Commerce about the need for congressional action in order to use the sampling of the 2000 census—maybe like the need to amend section 195, Title 13—any internal discussion on that?

Mr. SHAPIRO. No, not in the Commerce Department.

Mr. DAVIS. How about in Census.

Mr. HOLMES. Not that I'm aware of, sir; no.

Mr. DAVIS. Are you aware of anyone expressing the view that there needs to be an amendment to Title 13 in order to proceed with the sampling plan?

Mr. SHAPIRO. No, I'm not aware.

Mr. DAVIS. The attorneys, nobody ever targeted that?

Mr. SHAPIRO. No.

Mr. DAVIS. Wouldn't you agree that Congress and not the Department of Commerce—Congress ought to be making the ultimate decision as to what numbers are used for purposes of apportionment of the House?

Mr. SHAPIRO. I am advised that the law directs that the President determines which numbers to accept or not. But again, I am not a lawyer and so I'm prepared to be corrected.

Mr. DAVIS. I know you're not a lawyer. The Constitution seems to vest that authority in Congress.

Mr. SHAPIRO. Yes, it does. The Constitution vests the authority to write the laws on the way the census—on the manner in which the census is conducted.

Mr. DAVIS. Let me read a letter from a former assistant attorney general:

> We reiterate the procedural point that the ultimate authority in matters relating to the census, and this includes statistical adjustments, lies with Congress. There is no clear statutory procedure guiding this post-December 31 exercise in determining whether to adjust. Whatever decision the Secretary reaches is therefore subject to second guessing by the Congress in this almost unique circumstance of executive branch exercise of delegated congressional power.

That was from Stuart Gerson, Assistant Attorney General, Civil Division II, and Wendell Willkie, who was the General Counsel of the Department of Commerce in 1991. That was before this administration took over. But that letter should have been there. I would think someone would have pulled that up as they were talking through the new census.

Let me ask this: Doesn't the so-called one number census deprive Congress of the opportunity to enact a reapportionment based on the traditional head count?

Mr. SHAPIRO. It would—yes, it would. It would provide, however, in our view, the most accurate numbers for Congress to——

Mr. DAVIS. I understand.

Mr. SHAPIRO [continuing]. Carry out apportionment.

Mr. DAVIS. Would you agree with the three-judge panel that should the courts invalidate the census in 2001 or thereafter, the one number census method would require the entire enumeration to be reconducted at a cost of $4 billion; and, more importantly, the new census would not be completed before the date Congress was supposed to perform its constitutional duty regarding apportionment?

Mr. SHAPIRO. I'm sorry, Congressman, again that's a legal conclusion.

Mr. DAVIS. Let me ask Director Holmes. This is a factual conclusion the Court made that if this was thrown out in 2001, you would need a new enumeration, the cost would be $4 billion, and it would not be completed on time. And I ask Director Holmes, who dodged this the last time the Court came to this conclusion. I'm simply asking if he agrees or not.

Mr. HOLMES. Again, I'm not an attorney. You're asking me for a legal opinion, Mr. Davis.

Mr. DAVIS. No, I'm asking you the factual opinion. Let me give you an opinion. If this were invalidated in 2001, the courts invalidate the census you're about to conduct, you would have to have a new enumeration. The cost, they estimate, would be $4 billion, and the Court says it could not be completed before Congress is supposed to perform its constitutional duty regarding reapportionment.

Mr. SHAPIRO. If I could just mention, Mr. Davis, as I understood it, part of the reason for Supreme Court review of the plan is to avoid that circumstance.

Mr. DAVIS. Well, to my next question. It's true that the Commerce Department and the Census Bureau intend to argue in the Supreme Court that the courts can't review the legality of the sampling plan before the census is conducted. Isn't that true?

Mr. SHAPIRO. We don't argue at all, Mr. Davis. The Solicitor General argues. And it's——

Mr. DAVIS. Do you support the Solicitor General in that opinion?

Mr. SHAPIRO. Again, I'm not an attorney.

Mr. DAVIS. I'm not asking you as an attorney. I'm asking about a matter of policy. It's a policy issue, not a legal issue.

Mr. SHAPIRO. It's been explained to me as a legal issue.

Mr. DAVIS. Let me ask you this: Would you prefer to have the issue resolved now or would you rather have it resolved 3 years from now?

Mr. SHAPIRO. I would prefer a resolution that enables us to conduct the most accurate, fair, and cost-effective census.

Mr. DAVIS. Wouldn't you prefer to have it resolved now? Whatever the decision, whatever the decision is, wouldn't you rather have that decision now than have it 3 years from now?

Mr. SHAPIRO. My commitment——

Mr. DAVIS. It's easy; yes or no.

Mr. SHAPIRO [continuing]. Is to ensure that we have the most accurate, cost-effective, and fair census.

Mr. DAVIS. Let me ask Mr. Holmes. Would you rather have whatever the courts are going to decide now or would you rather have that decision 3 years from now?

Mr. HOLMES. Again, I know this sounds argumentative, it sounds evasive.

Mr. DAVIS. It is——

Mr. HOLMES. Again, please allow me to answer, Mr. Davis. I've been doing this kind of work for——

Mr. DAVIS. You haven't answered any question I've asked, but go ahead.

Mr. HOLMES. Then I guess there's no reason for me to say anything, sir.

Mr. DAVIS. Go ahead. I'll give you a chance.

Mr. HOLMES. As I said, I've been doing this work for 30 years. What I'm interested in as a civil servant is producing the best census possible, the most accurate census possible.

Mr. DAVIS. We're all interested in that.

Mr. HOLMES. I'm not interested in——

Mr. DAVIS. We're all interested in that. But ultimately you don't determine that; the courts have a say in that. Do you agree with that?

Mr. HOLMES. That's fine. Yes, sir.

Mr. DAVIS. Since the courts have it, wouldn't you rather have them determine that now rather than 3 years from now?

Mr. HOLMES. Mr. Davis, that is a "what if" question. It's clear that right now we don't have an answer to that question.

Mr. DAVIS. You don't have an answer. I think it's pretty evident. I yield back.

Mr. MILLER. There's no time to yield back. Mr. Waxman.

Mr. WAXMAN. Thank you very much, Mr. Chairman. We'd all like things resolved by the Supreme Court as rapidly as possible, but the Supreme Court has to look at questions of standing and appropriateness of the case that may be frustrating.

Mr. DAVIS. The gentleman yield?

Mr. WAXMAN. No, I won't yet. It may frustate the litigants but it seems a time-honored way for the Supreme Court to act.

I yield to you now. Do you disagree?

Mr. DAVIS. I don't know that I disagree with that. That wasn't my question. I wasn't asking for a legal conclusion. I was simply asking, as people who have to administer this, who are getting into a sea of controversy they didn't particularly ask for, would they rather like to know what the rules are now and determine it now or would they rather have them 3 years from now? And they couldn't even answer that question.

Mr. WAXMAN. I think that's a question that all of us here who make policy would answer in the affirmative. We—this ought to be worked out——

Mr. DAVIS. They wouldn't.

Mr. WAXMAN. Excuse me. It's my time now and not yours. This is the kind of thing that should have been worked out in a cooperative bipartisan manner. We don't seem to be there at this point. In fact, we have pretty, seems to me, outlandish, sharp-edged statements that have been made with regard to something that is as ministerial as the census.

For example, in a recent column in News Day, there's a Republican pundit named James Pinkerton who made the following comment:

> If the Democrats can rejigger the census, they can recapture the House. And while their task would be easier if the courts were to allow sampling, even if they don't, the Bureau is a big place, the few Republicans wandering around sampling, and they are unlikely to find all of the statistical slights that the Clintonians have up their sleeves.

I'd like you to comment, Director Holmes, about this attack on the integrity of the professional staff at the Census Bureau.

Mr. HOLMES. Well, again, Mr. Waxman, at the risk of getting myself in trouble, personally I take that as an insult. I really take that as an insult. It's mind-boggling that anyone would think that of the 13,000 employees that we have at the Census Bureau, and there's only one political appointee, that we could get enough people together to form a conspiracy to do the kinds of things that are being suggested. That's idiotic, let alone being insulting.

Mr. WAXMAN. Mr. Pinkerton also pointed out in his article, quote, "Deadbeat dads and the criminals loom large," end quote. And the people missed in the census, it's my understanding that over half the net undercount was children. What do you think of this characterization? Is this a correct characterization?

Mr. HOLMES. No, sir, it's not.

Mr. WAXMAN. And, Mr. Shapiro, in your testimony you state that the vast majority of experts at the national scientific academy support your plan for the 2000 census. What's the basis for this belief?

Mr. SHAPIRO. Well, the basis is the endorsements of the use of statistical sampling in the 2000 census by 54 major scientific and professional organizations that really comprise virtually the entire interested scientific community and community of stakeholders with the Congress, including the American Sociological Association, the Census Advisory Committees, the Chamber of Commerce Researchers Association, the Association of Public Data Users, the Association of University Business and Economic Research, the Advisory Committee on Professional Associations, the Housing Statistics Users Group, Decision Demographics, the American Demographics Association, the National Association of Business Economists, National Association of——

Mr. WAXMAN. Are these people all Democrats?

Mr. SHAPIRO. No, no, they certainty aren't, and this has never been a partisan issue in the past and it was approached initially in a bipartisan way by President Bush and the Democratic Congress and Republicans in Congress in 1991; and certainly the National Academy of Sciences, which is the Nation's most prestigious national scientific organization is utterly nonpartisan.

There really was no debate about the conclusion. There was a lot of debate leading up to the conclusion. Once the consensus was reached, it has been self-evident to the national scientific community. I'd be happy to submit for the record a list of more than 50——

Mr. WAXMAN. I think we ought to have that in the record. If the chairman would permit, I would ask unanimous consent that it be included in the record.

Mr. MILLER. Done.

[The information referred to follows:]

CENSUS 2000: ORGANIZATIONS THAT SUPPORT AN ACCURATE CENSUS USING STATISTICAL SAMPLING

-- Americans for a Fair and Accurate Census, including:
  President, American Jewish Committee
  President, American Sociological Assn.
  President, Arab American Institute
  President, Assn. of Multi Ethnic Americans
  President, Association of Public Data Users
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Mr. WAXMAN. It seems to me that what we have is somewhat of a partisan split on this whole question of the census, and we had to compromise to try to test the census out in terms of its legality in the courts, even expedite the Supreme Court to make a decision, and testing it out at certain sites in the country. Any reason we shouldn't go forward and test those two matters before we tell you you have to go one way or the other?

Mr. SHAPIRO. No, there's no reason—only so long as Congress provides the necessary funds for the activities to pursue both dual-track preparations and the core activities of the census.

Mr. WAXMAN. Well, the President agreed to that compromise. I don't know if he was under investigation. I suppose he's always under investigation. But the idea he wouldn't stand behind his agreement because he's got some scandal—it seems to me that's somewhat of a low blow. Do you know any reason why the President should change his position and stand by an agreement that he's made with the Congress?

Mr. SHAPIRO. Absolutely not. I'm certain he would.

Mr. WAXMAN. Scandal notwithstanding.

Mr. SHAPIRO. Yes.

Mr. WAXMAN. Thank you, Mr. Chairman.

Mr. MILLER. We'll do one more quick round, if anybody has questions.

Mr. Shapiro, you mentioned all these organizations. Have they approved a plan or just a concept of the theory of sampling being used, or approved this concept of the plan you actually developed or the Census Bureau developed?

Mr. SHAPIRO. Well, it's more than a concept, but you're correct; it is not the specific plan, which has 3,600 activities and is still under final completion. That plan indeed will not be complete until the evaluations from the dress rehearsal are complete.

Mr. MILLER. Let me go to issues of outreach and coverage improvement programs. Mr. Holmes, you want to explain what coverage improvement programs are and what's being done?

Mr. HOLMES. Again, I'm not sure I understand your question. Your question was associated with——

Mr. MILLER. What coverage improvement programs—that phrase is being used by the Census Bureau.

Mr. HOLMES. You're asking what does that entail?

Mr. MILLER. Give me a couple of examples.

Mr. HOLMES. Those are activities that we take a look at to get better coverage, whether it's coverage of addresses, whether it's coverage of persons, whether it's within household coverage. Those are programs that are intended to help us in that.

Mr. MILLER. Will they differ between a sample or nonsample census?

Mr. HOLMES. They could very well be. As a matter of fact, coverage improvement issues happen to be 1 of the 20 teams that I talked about earlier.

Mr. MILLER. Because based on this draft done back in March 1995, "The guiding principles for the regional census," it specifically says, point 11, "do not conduct coverage improvement programs for which the ICM process can provide corrected data." Is that still a policy?

Mr. HOLMES. Well, I guess the easiest way to respond to that is that you don't need to spend money on the same process twice. If we do, the coverage improvement and there's no need to do the ICM, by the same token why do coverage improvement programs and then go back and do the same thing in ICM? Remember, ICM itself, one of the things that it measures is coverage. It gives us a sense of the number of people that we've missed, the number of people that were double-counted, and a range of other issues.

Mr. MILLER. You would agree that the 10 percent that we're not going to count are not the hardest-to-count 10 percent? It's supposedly a random 10 percent of the nonresponse; right?

Mr. HOLMES. I would disagree with your characterization, Mr. Miller.

Mr. MILLER. Oh, you would.

Mr. HOLMES. Yes, I would.

Mr. MILLER. Explain that to me.

Mr. HOLMES. Let me finish. I would disagree, if I understood your question correctly—and your question is of that 10 percent—yes, it is random; but keep in mind, we will be sending questionnaires to each and every household in this country. Everyone will have an opportunity to complete those questionnaires. We will then followup on a portion of those that did not return them. But it's clear that we are talking about people that did not return their questionnaires so they're different to start with. That's why I said I would disagree with the context in which you made that statement.

Mr. MILLER. Well, let me make the statement again. I said of the nonresponse, we're going to end up with 10 percent of the population we're not going to count; right?

No?

Mr. HOLMES. Go ahead.

Mr. MILLER. Explain to me what is the 10 percent. Who are the 10 percent? Are they the hardest-to-count 10 percent in this country?

Mr. HOLMES. I think it's safe to assume that some portion of it is hard to count, but I doubt very seriously that there's any in that population would be easy to count, because if they were easy to count, they would respond in the first place.

Mr. MILLER. I'm a little baffled by that.

Mr. HOLMES. Let me give you a practical example. I'll give you the same example when I testified before, and this is associated with your State which was part of our region, the region I worked in in 1990. We had over 4 million households to followup on, over 4 million. Those were not people that voluntarily mailed their questionnaires in. Those are not people that stood up and said, Oh, this is a very, very good thing, I want to be a part of. These are people that for any number of reasons did not want to participate. So anyone that doesn't respond, that's a difficult part of the population to count.

Now, if you want a segment, that's a different story.

Mr. MILLER. You're saying that the uncounted 10 percent is not a random sample so——

Mr. HOLMES. No, that's not——

Mr. MILLER. Well, let me switch on to another subject. I don't want to use all my 5 minutes. The impression is that is not as random as we thought.

What can Congress do that can help? Whether it's legislation or waivers or access to information. Congresswoman Meek has proposed to make it easier for people who are on some type of Federal program to work with the Census Bureau.

Do you have any specific recommendations that we could do that we could help to improve the ability for people to work in the census or to get access to administrative records, whether it's WIC records—by the way, do you use WIC records at all?

Mr. HOLMES. Again, that's one of the administrative records, if I'm not mistaken, that one of the teams is taking a look at. As of now, no. It's not something we have used in the past that I'm aware of.

Mr. MILLER. But is there anything that you know of now that you mentioned, that maybe you can followup with—that we can do that legislatively—would make it a better census?

Mr. SHAPIRO. We will be—I'd be happy to get back to you on that, Mr. Chairman.

Certainly if the Commerce Department and the Census Bureau are required to conduct a traditional census without sampling techniques, my expectation is that there would be a number of additional legislative actions that would have to be taken.

Mr. MILLER. Mr. Holmes, do you have any recommendations?

Mr. HOLMES. Off the top of my head, Mr. Chairman, I don't. The one that you mentioned that's associated with waivers of certain incomes that people receive from Federal programs, that, if there was some kind of a national waiver, would make life a lot less complicated than dealing with each of the individual States.

Mr. MILLER. That's something that we can certainly work together in a bipartisan fashion to move along on.

Mrs. Maloney.

Mrs. MALONEY. Thank you. The post-enumeration survey showed that nearly 4.5 million people were counted twice in 1990. In planning for a census without the use of statistical scientific methods, what is being done to make sure that these errors of double counting are not repeated in 2000?

Mr. HOLMES. Again, one of the things that we're looking at is that the—the ICM survey that was mentioned earlier—we're talking about a much larger sample size, and obviously the larger the sample size, the more accurate—the more accurate the data itself.

Mrs. MALONEY. If you're not allowed to use scientific methods, then this overcounting will then just continue under the current plans. OK. The attempt—we've talked about administrative records—but the attempt to use them in the 1990 census, most notably the use of records of persons on probation and parole, resulted in nearly 60 percent of the 457,000 people being added in error.

Would you please explain the problems of using administrative records to add people to the census, whether it is a WIC, or probation, or whatever administrative records.

Mr. HOLMES. There are a couple of issues that are associated with it. One, the Census Bureau has never felt very, very com-

fortable just adding people to the process based on a list. That's one of the problems we had with some of the double counting. There's an enormous amount of cost that's associated with if you decide that you're going to add a person based on an administrative record. If you're going to do an independent verification of that, that in itself increases the costs. Also, there are not a large number of administrative records that I'm aware of that are useful in adding entire households. There are not an enormous number of records that can give us the kind of coverage—because records vary from one State to the next—again, I hate to keep repeating myself, but the administrative records issues is one that one of the teams is looking at, and hopefully they'll have a different set of recommendations for us that we all can take a look at.

Mrs. MALONEY. Since we are in the appropriations process now and it's very important for the operation of a Census Bureau in getting an accurate count, I would like to ask a few questions on your appropriations, your finance. If you'd like to add in writing in response to these questions, I'd appreciate it. I'd like to really clearly understand where we are. You've touched on it in other questioning but I'd like to go through it.

Specifically, what would be the impact on the 2000 census if the current House version of the Commerce, Justice, State appropriations bill becomes law? And I am particularly interested in the language that limits spending through March 1999 to half of the appropriated funds.

Mr. SHAPIRO. As I mentioned earlier, in the Census Bureau budget for fiscal year 1999, funding is highly concentrated in the early months of the year because that's the time in which the Census Bureau is going out and, household to household, checking the addresses of every rural household, and doing what's called block canvassing for every urban household. This is the reengineering of the master address file to ensure that we have a complete address file. Completing that schedule on time is necessary in order to print the questionnaires and the entire stream of activities. That's concentrated in the early months of fiscal year 1999.

Major contracts for data capture equipment for the scanning equipment, the opening, the leases for the census offices, including the 130 offices being opened early for the dual track, for the second track, all those contracts occur in the early months of the year.

As a consequence, 50 percent of the total year's funding is consumed sometime in January. The Census Bureau couldn't stop in mid-January. What this provision would require is that they spread out those activities over the 6 months. That would introduce delays into the census schedule that would probably make it impossible to complete the census in the year 2000.

Mr. MILLER. My first statement, what I said was we're willing to work on that issue and it's a cash-flow issue and unfortunately the Bureau had not provided for cash-flow statements. We can work through that issue.

Mrs. MALONEY. It is quite likely that Congress will pass a continuing resolution to fund all agencies through the targeted October 9 adjournment. What would be the effect on the census if the C.R. funds it at 1998 levels?

If there is a continuing resolution, what would happen to the census if it were forced to operate for, say, 2 or 3 weeks in October at 1998 levels?

Mr. SHAPIRO. The consequences wouldn't require 2 or 3 weeks. It would only require 1 day because continuing at 1998 levels would require that the Census Bureau lay off 22,000 people hired for the second wave of the rural address check. These are temporary workers. They don't receive benefits. They don't have an attachment to the jobs. If they're let go, they will scatter. The Census Bureau will then have to re-recruit, rehire, retrain thousands and thousands of people.

In 1995 when there was an interruption in funding, there was a special census going on in Arizona and there was a 5-day delay in the funding. The Census Bureau had to release the people conducting that survey. The final survey, the completion of the survey was delayed by over a month.

Even a 1 day C.R. at 1998 levels poses a very grave risk to a successful census, regardless of whether or not the final decision is to do a census with sampling or without.

Mrs. MALONEY. Thank you very much. Again, my time is up. Director Holmes, I appreciate your testimony and your hard work at numerous hearings. It's been a pleasure listening to you today and I congratulate you on your work.

Mr. HOLMES. Thank you very much.

Mr. MILLER. Your comments about a C.R. gives all the more reason why the President should not veto the Commerce, Justice bill. As I said at the beginning, we understand that concern and we're going to work—if there is a C.R. If we get the cash-flow needs from the Census Bureau, understand what they are, we'll try to make sure they'll be taken care of.

Mr. Davis.

Mr. DAVIS. I'm trying to understand the 10 percent now that are going to be sampled. As I understand it, these are people who did not mail in the forms; is that right?

Mr. HOLMES. That's correct.

Mr. DAVIS. They did not reply. What percent of the population generally would not reply? About a third?

Mr. HOLMES. Well, to give you—I guess, put it in perspective—in the 1970 census, about 78 percent of the households responded by mail, and in 1990 that was down to 65 percent.

Mr. DAVIS. Let's assume for a minute 65 percent respond. So the 10 percent sample is not part of that 65 percent?

Mr. HOLMES. No, it's not.

Mr. DAVIS. You would take it out of 35 percent.

Mr. HOLMES. That's right, those who did not respond.

Mr. DAVIS. Would it be a random sample of the 35 percent would be your 10 percent, or is it a specific group that you're targeting of that 35 percent who did not respond?

Mr. HOLMES. It would be random.

Mr. DAVIS. What makes, then, of the 35 percent or the roughly third, what makes that 10 percent any different than the other groups that would not be sampled? There's no difference, is there?

Mr. HOLMES. When you say what makes them different, different in what sense?

Mr. DAVIS. They're not any harder to count than anybody else who didn't respond particularly; right? They're not necessarily minorities or majorities.

Mr. HOLMES. They could very well be, yes.

Mr. DAVIS. But if it's random sample out of the 35 percent—I'm only comparing them to other people who don't respond. I'm not comparing them to the ones who do respond. Of the ones who don't respond, it's simply a random sample——

Mr. HOLMES. That's correct.

Mr. DAVIS. They fit into whatever the profile of all the other groups who don't sample, who don't return the form; correct?

Mr. HOLMES. That's correct.

Mr. DAVIS. Now, we are taking great efforts. For purposes of numbers, let's say 35 percent don't respond, which is what happened. The 25 percent you're going to use every way you can to try to get those people to respond. You're going to use increased advertising, door to door——

Mr. HOLMES. Did you say 25 percent?

Mr. DAVIS. Of the 35 percent, 25 and 10; 10 percent are sampled. The other 25 percent, we're going after them in many different ways——

Mr. HOLMES. We're going out and knocking on their doors to get that information.

Mr. DAVIS. Right. You're doing that with all 35, with the total 35 percent, or just 25 percent and sampling the other?

Mr. HOLMES. Of the 35 that did not, 25 is what we will followup on.

Mr. DAVIS. And the other——

Mr. HOLMES. I'm assuming that's what you're getting at.

Mr. DAVIS. That's what I'm asking. How accurate will that be? You make every effort to go ahead and do that; right.

Mr. HOLMES. Absolutely.

Mr. DAVIS. I'm trying to understand. What are the strategies you're using to count those people and those blocks that didn't return the sample? What are some of the additional strategies we're going to employ that we didn't employ 10 years ago or 8 years ago?

Mr. HOLMES. Well, when you start—I guess again I want to make sure I understand the question that you're asking.

Mr. DAVIS OF VIRGINIA. Nonresponders?

Mr. HOLMES. That is part of what we refer to as nonresponse followup. That is where we hire the army of people to go out and knock on doors and get that information.

Mr. DAVIS OF VIRGINIA. What additional tools are we using that we didn't use 8 or 10 years ago to try to get a better response out of those people? Are you doing anything different or are we just doing the "same old-same old"?

Mr. HOLMES. Other than sending people to knock on the doors, no. That's the process.

Mr. DAVIS OF VIRGINIA. Are you doing any additional advertising, additional lists, anything additional? It's the "same old-same old"?

Mr. HOLMES. I wouldn't say the "same old-same old". The advertising pieces, the mail treatments and those kinds of things are associated with encouraging people to respond.

Mr. DAVIS OF VIRGINIA. OK.

Mr. HOLMES. Now, if you want to talk about what we're doing from a staffing standpoint, that's—you know, obviously we're talking about paying people more and those kinds of things. That doesn't do anything for the people behind the door.

Mr. DAVIS OF VIRGINIA. OK.

Mr. HOLMES. Again, I want to make sure I understand your question. Are you talking about our field staff or are you talking about our people behind the door?

Mr. DAVIS OF VIRGINIA. You've answered it. I'm comfortable with where your answer is. The basic is that the groups that are sampled, the 10 percent sample are simply a sample. It is a cross-section of the nonrespondents, period?

Mr. HOLMES. Yes.

Mr. DAVIS OF VIRGINIA. Not any more difficult to reach than anyone else. It's a cross section of the people who failed to return the forms?

Mr. HOLMES. That's right.

Mr. DAVIS. That's what I was trying to get to.

Suppose the Census Bureau came up with three different methods of estimating the population, and in each method came up with a different result in the 2000 census. Do I understand the position of the department at this point would be that the Secretary of Commerce could then simply choose whatever method he thinks is the most reasonable of those?

Mr. HOLMES. I have no idea, Mr. Davis. Rob, do you have any?

Mr. SHAPIRO. I would have to refer that. That's again a legal question, Congressman.

Mr. DAVIS OF VIRGINIA. Again, my understanding, just for the record, is that he could take the most reasonable, certify that result to the President, and the Census Act would permit him to do that. And I think, I mean, that's the conclusion I draw from the arguments that the administration has made. But you're saying it's legal, it's above your pay grade, and you don't have any information.

Mr. SHAPIRO. Well, I'm trying to be direct.

Mr. DAVIS OF VIRGINIA. You don't need to respond. I'm just giving you my opinion. That's fine. That's fine.

Mr. WAXMAN. Would the gentleman yield?

Mr. DAVIS OF VIRGINIA. I would be happy to.

Mr. WAXMAN. Do you think it ought to be done in a different way? If there's several methods, do you think it ought to be done in some other manner than the Secretary certifying it?

Mr. DAVIS OF VIRGINIA. He has the ability to certify the census. I'm not sure right now, with the sampling methodology that's being put forth, that's the most accurate count we can get, and I think we can probably go forward and do a better job of enumeration than they're currently planning to do.

And when the chairman asked, you know, is there anything we can do to help you in terms of additional tools to enumerate, and he said I will get back to you, that tells me that we ought to be concentrating on doing the best enumeration we can and that we're probably not doing everything we could, if that answers the question.

I yield back the balance of my time. My time is up.

Mr. MILLER. Mr. Waxman.

Mr. WAXMAN. Thank you, Mr. Chairman.

During the research for the 2000 census, the Census Bureau at the request of Congress conducted lengthy working sessions with the Postal Service on using Postal Service employees to conduct the census. Would you please tell us the conclusions reached from those discussions? Was there a written report, and if so, would you supply it to the subcommittee for inclusion in the record?

[The information referred to follows:]

UNITED STATES DEPARTMENT OF COMMERCE
The Under Secretary for Economic Affairs
Washington, D.C. 20230

October 2, 1998

The Honorable Dan Miller
Chairman, Subcommittee on the Census
Committee on Government Reform and Oversight
House of Representatives
Washington, D.C. 20515-6143

Dear Mr. Chairman:

Enclosed is the material I discussed during my testimony on September 9, 1998, before the Subcommittee on the Census.

Transmitted herewith is a list of the professional associations that supported sampling and a copy of statements from the National Association of Postmasters of the United States and the National Rural Letter Carrier's Association regarding the use of postal carriers as enumerators. I have also enclosed a related document, the Joint Report of the U.S. Postal Service and the U.S. Census Bureau, that describes the Postal Service's involvement in Census 2000.

Sincerely,

Robert J. Shapiro

Enclosures

ECONOMICS AND STATISTICS ADMINISTRATION

CENSUS 2000: ORGANIZATIONS THAT SUPPORT AN ACCURATE CENSUS USING STATISTICAL SAMPLING

-- Americans for a Fair and Accurate Census, including:
  President, American Jewish Committee
  President, American Sociological Assn
  President, Arab American Institute
  President, Assn. of Multi Ethnic Americans
  President, Association of Public Data Users
  Executive Director, Child Welfare League
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-- Housing Statistics Users Group
-- Japanese American Citizens League
-- Labor Council for Latin American Advancement
-- Leadership Conference on Civil Rights
-- League of United Latin American Citizens (LULAC)
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-- Population Association of America
-- Rainbow Push Coalition
-- Teachers of English to Speakers of Other Languages
-- Union of Needle Trade, Industrial & Textile Employees
-- United States Conference of Mayors
-- Working Group on Ancestry in the U.S. Census

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NATIONAL ASSOCIATION OF POSTMASTERS
OF THE UNITED STATES
8 HERBERT STREET
ALEXANDRIA VA 22305-2600

TESTIMONY OF PRESIDENT DAVID GAMES
NATIONAL ASSOCIATION OF POSTMASTERS
OF THE UNITED STATES
BEFORE THE
SUBCOMMITTEE ON CENSUS, STATISTICS AND POSTAL PERSONNEL OF THE
COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Thank you for providing us with this opportunity to express our views on the Postal Service's role in planning the 2000 census. You have asked for information on the degree to which postal employees might offer assistance with census procedures.

The National Association of Postmasters of the United States (NAPUS) represents more than 42,000 active and retired postmasters throughout the country. As civic-minded citizens, our members are pleased to cooperate with the Census Bureau. However, we must temper our civic interest with our concerns for prompt mail delivery and respect for the privacy of our postal customers and their families. Therefore, we support the findings of the Postal Service and the Census Bureau as presented in their November 5, 1993 report: USPS-Census Cooperation in Planning for the 2000 Decennial Census of Population and Housing.

As the report indicates, we do not believe it would be feasible for letter carriers to take on this data collection activity. While the city and rural letter carriers will certainly want to address this issue thoroughly in their testimony, we can offer you our thoughts as postal managers. First, we believe that the data collection activity will interfere with our primary mission, which is the prompt delivery of the mail, and will unreasonably extend the time

703-683-9027
FAX: 703-683-6820

necessary for route completion.

Second, we believe a large number of postal customers would perceive the conduct of the carriers as a violation of their privacy rights. Postal carriers deliver bills, bank statements, legal papers and other important and private documents to customers on a regular basis and the postal service guarantees the public that these materials are kept private. If a carrier were then to ask questions about such potentially delicate issues as financial or marital status, it might bring this guarantee of privacy into question. We believe strongly that the customer's privacy rights should be inviolable.

A third and extremely important issue is that of carrier safety. If carriers were required to carry out data collection activities, particularly as part of their regular routes, it could mean that these people would be out much later at night than normal. In some neighborhoods, this might not be safe. We could not condone any activity that would place the carrier's safety in jeopardy.

It was also suggested that carriers might be able to provide basic census information without contacting postal customers. This is extremely impractical. Mail delivery has changed considerably in the last two decades. Because more women work, fewer residents are home during delivery hours. More people live in apartments, condominiums and other multiple housing units. Also, people are far more transient. For these and other reasons, carriers do not have the same level of personal knowledge about their customers that was traditional within the Postal Service. Census information collected by carriers without resort to personal interviews would be basically guesswork and would be statistically unreliable.

Of course, we do agree that there are some areas in which we could work together with the Census Bureau. For example, postmasters and postal employees would be pleased to assist the census in identifying vacant housing and in insuring completion and accuracy of addresses. However, it may not always be possible for postmasters to match physical addresses to post office box numbers since they may not always have that information. We would also be pleased to provide space in the post offices for additional questionnaires or other promotional material where space is available.

Thank you for providing us with an opportunity to comment on these issues. Please let us know if we can provide you with any further information.

Submitted on September 27, 1994

Letter of Transmittal

Members of the House Appropriations subcommittee with jurisdiction over the Census Bureau have repeatedly urged that the U.S. Postal Service be used in a more direct role to take the decennial census. We are enclosing a report prepared jointly by our organizations that describes the expanding involvement of the USPS in census taking, and an analysis of the feasibility of using letter carriers to collect decennial census data.

In considering the last idea, we analyzed both benefits and obstacles. The principle benefit is having knowledgeable persons contacting households where they daily deliver the mail. Obstacles include cost, conflicts with USPS mail delivery obligations, and privacy concerns.

After weighing these factors, we conclude that it is not viable for letter carriers to take on this large data collection activity. However, our discussions have led to consideration of other ways that we can use the knowledge and expertise of local letter carriers to improve the quality of the decennial census, and the timeliness of its enumeration activities.

We will continue, in our long standing tradition, to explore ways that our agencies can work together to ensure the success of the 2000 decennial census.

For the U.S. Postal Service:

Samuel Green, Jr.
Senior Vice President,
Customer Service and Sales

November 5 1993
Date

For the U.S. Census Bureau:

Harry A. Scarr
Acting Director

November 5, 1993
Date

USPS-CENSUS COOPERATION IN PLANNING FOR THE 2000 DECENNIAL CENSUS OF POPULATION AND HOUSING

The U.S. Postal Service (USPS) has played a key role in all modern decennial censuses. Most notably, since the advent of the mail-out/mail-back census in 1970, the success of census taking has relied heavily on the USPS in the development and improvement of the census address list and in providing for the delivery and return of census questionnaires. In addition to these critical operations, the USPS routinely conducts other activities that provide support for the census. A description of the USPS role in the 1990 decennial census can be found in Attachment 1.

In addition to the historical cooperation between our two organizations, there are significant efforts underway to expand the involvement of the USPS in future decennial censuses. In November 1990, the Census Bureau and the USPS established an interagency Joint Committee for Census Planning. The purpose of this committee is to develop a wide variety of opportunities for cooperation in the 2000 census effort. The committee meets on a quarterly basis. It focuses on the use of USPS expertise and knowledge to support critical census activities. The committee has established several subcommittees to work on the development of specific opportunities. These are described in this report.

Areas of expanding cooperation include:

- development of a permanent residential address list,
- identification of vacant housing units,
- various geographic projects that include such things as identifying the number of delivery points for each congressional district,
- reliance on USPS letter carriers for the accurate and timely delivery of census questionnaires,
- collaboration on ways to encourage local efforts to convert rural addresses to house number/street name style addresses.

We are considering other proposals that would translate postal knowledge and expertise into improvements for the census. Examples of these include:

- using letter carriers to link mailing addresses to physical locations in rural areas,
- identifying drop delivery points for multi-unit structures,
- testing the use of letter carriers to provide minimal information (occupancy status and number of occupants) about households that could not be contacted by census enumerators. (This would not require direct contact of the household by the letter carrier.)

This paper, prepared jointly by the U.S. Postal Service and the U.S. Bureau of the Census, addresses the feasibility of using postal letter carriers to contact households that do not complete and return their census questionnaires by mail. The key question is whether this can be accomplished without being detrimental to mail delivery, adding to the overall cost of the census (carriers are paid significantly more than temporary census enumerators), or undermining public confidence in the privacy of information entrusted to the postal system. We have concluded that there is no methodology for having letter carriers conduct the nonresponse follow-up operation that can overcome these concerns. Despite this initial conclusion, we continue to explore other ways that letter carrier knowledge and expertise can be used to improve the census.

1. THE EXPANDING ROLE OF THE USPS IN CENSUS TAKING

ADDRESS LIST DEVELOPMENT

The census-taking process relies heavily on an accurate and complete address list. This will be true even for the 2000 census which will be fundamentally different from previous censuses in other ways. The USPS was instrumental in providing information to ensure the quality of the address list used to conduct and control the past three decennial censuses. Most of the 1990 census address list, whether supplied by commercial vendors or compiled by census enumerators, was checked by USPS letter carriers prior to the census and at the time of the census questionnaire mailout.

Currently, the Census Bureau and the USPS are working on an agreement to share address information. An innovative approach by the Census Bureau for the 2000 census is to start with the 1990 census address list as a base to develop a permanent and continuously maintained list of addresses called the Master Address File (MAF) linked to the Topologically Integrated Geographic Encoding and Referencing (TIGER) data base, with the USPS as an integral partner in this effort.

The Census Bureau's main objective in seeking the assistance of the USPS to develop the MAF linked to the TIGER data base is to utilize the first-hand knowledge of the letter carriers--gained through their daily work of delivering the mail--about the inventory and location of housing unit addresses nationwide. During the course of their normal duties, letter carriers record the existence of every unit where mail is delivered on their route. These records are collected into a single national file of address information. Although the proposed methodology for sharing this address information is to match electronic files, it is the information supplied by local letter carriers on which the USPS files ultimately are based.

The Census Bureau and the USPS are conducting a pilot study on sharing address information to evaluate the options for a full cooperative project. The Memorandum of Understanding describing this study is Attachment 2. The two

agencies are matching selected addresses from the 1990-census Address Control File to the USPS Delivery Sequence File to identify addresses missing from the census list and streets that are missing from the TIGER data base. Following the identification of missing streets, the Census Bureau will provide maps with latitude and longitude information to the USPS for a sample of areas. USPS staff will use the maps to sketch the locations of the missing streets to facilitate their addition to the TIGER data base.

The Census Bureau and the USPS are analyzing the results of the pilot test to determine the details of a full cooperative effort. This analysis will be completed by November 1993. The two agencies are looking into legislative changes required for each to make full use of the address information they share. The Joint Committee for Census Planning established a Legislative Barriers Subcommittee to develop proposals for specific legislative changes.

IDENTIFYING VACANT HOUSING UNITS

The misclassification of occupied housing units as vacant can cause serious coverage deficiencies in the decennial census. To reduce the misclassification of units in recent censuses, at least two enumerator visits were made to each vacant address. On the first visit, during the follow-up of nonresponding households, the enumerator made an initial classification of whether an address was vacant. The second visit investigated whether the initial classification was correct.

The Census Bureau is working with the USPS to eliminate one of these visits by using information supplied by local letter carriers when they cannot deliver a census mailing piece because an address is vacant. Besides eliminating a costly second visit, there are other advantages, such as completing a significant portion of the work earlier to improve data quality. A subcommittee, formed under the auspices of the Joint Committee for Census Planning, is working on the detailed planning for a test of this procedure in the 1995 Census Test.

GEOGRAPHIC WORK

The Census Bureau and the USPS are cooperating successfully in several other related areas. These include:

* The sharing of information to identify delivery points for each district of the 103rd Congress. As the districts are revised for the 104th and subsequent Congresses, this interagency cooperation will continue.

* The Census Bureau is helping the USPS in the development of a USPS product that relates each ZIP+4 Code to a 1990 census block number. Attachment 3 is a letter describing the agreement on this joint project. The first step in this effort, to incorporate the ZIP+4 Codes into the TIGER data base, has begun.

* The Census Bureau will provide to the USPS a specially formatted extract of the TIGER data base (with enhancements added specifically to meet USPS requirements) for several test areas where the USPS will evaluate automated route examinations. The first of these files was delivered on September 9, 1993, with additional files to be delivered before October 31, 1993.

DELIVERY AND RETURN OF CENSUS QUESTIONNAIRES

Since the 1970 census, the "mail-out/mail-back" method of census taking has been used for a majority of American households. By the 1990 census, over 90 million households received their census questionnaire through the mail, with approximately 66 million households returning their questionnaire through the mail. While planning for the delivery of census mailings, the Census Bureau and the USPS work closely on development of the mailing package. The design, size, and weight of the questionnaire, envelopes, and instructions are critical to the successful delivery and return of the questionnaire.

The importance of the role of the USPS letter carriers in this cannot be overstated. Accurate mail delivery of the blank questionnaires and return of the completed questionnaires has allowed use of the self-enumeration method that research has shown provides the most reliable data. By substituting mail data collection for door-to-door visits by enumerators, the Census Bureau has been able to reduce the number of hours that it would require for temporary census workers to collect census data; this increases efficiency and dramatically reduces the cost of the census.

STRATEGIES FOR RURAL AREAS

"Rural-style" addresses typically are rural route and box number, post office box, or even general delivery, while "city-style" addresses are those with a house number and street name (for example, 106 Main Street). Rural-style addresses are problematic for both USPS and Census Bureau automated systems because of difficulties in automated sorting of these addresses for more efficient mail delivery and automated matching of these addresses for assignment of census geographic codes.

Because city-style addresses allow more efficient routing of emergency service vehicles (fire, police, ambulance), many areas are converting their rural addresses to city-style. Both the USPS and the Census Bureau will benefit from these conversions. The USPS and Census Bureau have formed a subcommittee, under the Joint Committee for Census Planning, to explore cooperative ways to encourage or facilitate local efforts to convert their rural addresses to city-style addresses. The subcommittee will issue its first report in December 1993.

OTHER AREAS OF RESEARCH

The Census Bureau and the USPS are exploring other ways of working together to improve the coverage and reduce the cost of the 2000 census. Many of these ideas are aimed at utilizing the local knowledge of the USPS letter carriers. Some ideas currently being discussed include identifying delivery drop points where mail delivery mix-ups may occur for addresses in multiunit buildings, the use of letter carriers to provide minimal information (occupancy status and number of persons) about households that could not be contacted by census enumerators, and the linking of mailing addresses to residence locations where these are not the same. Presently, we are working on the involvement of letter carriers in the development of the address list in rural areas for the 1995 Census Test.

2. FEASIBILITY OF LETTER CARRIERS CONDUCTING CENSUS INTERVIEWS

BACKGROUND

The USPS letter carriers visit neighborhoods almost every day to deliver the mail. There is no other Federal workforce that has this kind of daily contact with the public. Because USPS letter carriers have information about where most people receive their mail and, in many cases, the places where they live, it is important to consider how this knowledge could be used to improve the census. While many of our efforts have been concentrated on address list development and the other activities previously described, we also have looked closely at a more direct role for the letter carriers in conducting the 2000 census.

It has been suggested that letter carriers be used to collect census data from households that do not return a census questionnaire. A fundamental question that must be answered to fully explore this proposal is whether or not the letter carriers are familiar enough with their postal customers to provide basic census information **without** needing to contact the household directly. Even for the minimum set of data mandated for collection in the decennial census (age, sex, race, Hispanic origin and household relationship), USPS letter carriers are unlikely to know this level of information about the customers they serve. While it is true that traditionally, letter carriers who regularly deliver mail to older established residential routes have **some** personal knowledge of many of their customers, the streamlining of mail delivery procedures in recent years has reduced the level of contact with (and personal knowledge about) many postal customers.

For over 25 years, almost all new delivery points in residential areas have been served through curbline or cluster boxes, making it unnecessary for the letter carrier to go door-to-door in the neighborhood unless delivering an accountable piece of mail or parcel. A letter carrier in this type of delivery area rarely sees most of the customers served, and often does not even see the housing unit. Most rural letter carriers do not go to the customer's door. They deliver to the mailboxes located along roads that are often located long distances from the individual housing units. In addition, all mail delivery is done during business hours when many people are not at home.

Other types of delivery that limit personal knowledge of the customer by the letter-carrier are:

* Customers who rent Post Office Boxes may not live in the local area. Because this mail is sorted to the box by postal clerks, the customer may never have personal contact with any postal employee other than to pay the box rent. Letter carriers will not have any personal knowledge about these customers.

* The number of commercial mail receiving agencies (CMRA) is increasing. Mail for the customers who use these agencies is delivered in bulk to the business address of the receiving agent. This mail often arrives at the delivery office already separated from the residential mail and does not require a preliminary sort by the letter carrier. Again, letter carriers would have no personal knowledge of these customers.

* Some large high-rise office and apartment buildings provide "drophouse" or mailroom service for their tenants. In these circumstances, letter carriers have no opportunity to gain personal knowledge of the tenants.

* Resort, university or military communities, densely populated urban areas and any other locations where there are continuous population shifts do not provide opportunities for letter carriers to have personal knowledge of the individuals they serve.

To further compound the issue, the census is a count of all people, some of whom do not reside in regular dwellings with mailboxes. Carriers do not service buildings that do not have mail receptacles and, based on their postal employment, would have no idea of the number of people living in these conditions.

We do not believe the USPS letter carriers have sufficient personal knowledge about their postal customers to provide the minimum census information required without making direct contact with the household. Therefore, to implement this suggestion, letter carriers would need to conduct a follow up operation for households that do not return a census questionnaire. We have examined this idea thoroughly; the following paragraphs describe the issues associated with implementing it.

ISSUES

USPS DELIVERY OPERATIONS

This proposal would have a negative impact on the ability of the Postal Service to deliver the mail.

Census work done while the carrier delivers mail to his or her regular route would cause delays in, or curtailment of, mail delivery. Even if carriers were instructed to begin census interviews at the end of their regular workday to avoid

the delay of customer mail delivery, these hours would be in addition to any overtime necessary due to the normal fluctuation of mail volume over time. If found to be legal, after a succession of 14 to 16 hour (or more) workdays, there is no doubt that the performance of the carrier's regular mail delivery duties would suffer. Personal safety is another serious issue for USPS letter carriers conducting census interviews after dark.

Census Bureau enumerators required approximately 36 million hours in 1990 to contact every household that did not return a completed census form by mail. Even if one assumes no increase in the workload by the year 2000 (and this is unlikely given population growth) and the current number of carriers, this translates into approximately 28 additional workhours per week per carrier route for a five week period if census interviews were scheduled to remove conflict with mail delivery.

Research of census methods worldwide reveals that no other country uses its postal service to take a census. In countries that use other civil service employees to take the census, these employees carry out census duties during periods when they are available (such as teachers in India) or their normal duties cease during the census taking period (such as municipal government workers in Sweden and Spain). In fact, no other country uses postal employees to the degree already established as the benchmark in the United States.

COST

As noted above, Census Bureau enumerators expended approximately 36 million hours to contact households that did not mail in their 1990 census questionnaire. The hourly rate for those enumerators was considerably less than the hourly rate of a letter carrier. On average, the pay rate for a 1990 census enumerator was $7.33/hour, including benefits. On average, a USPS letter carrier is paid $23.50/hour, including benefits, for regular time worked. The USPS letter carriers are paid at time and 1/2 for overtime work. The implementation of this suggestion would significantly increase the cost of the 2000 census. Obviously, there is no advantage to the USPS, or its customers who bear its costs, to pay for 36 million additional hours conducting census interviews without reimbursement.

In addition, because most rural carriers do not go to the customer's door for normal deliveries, requiring that they do so would be extremely expensive, especially if multiple visits were needed to find a respondent at home. Further, because of the special nature of the rural carriers compensation and payroll system, the use of rural carriers would require the development of a special reporting method for time spent on census data collection.

LEGALITY

There are two privacy-related statutes that could affect the ability of letter carriers to serve as enumerators. The Postal Reorganization Act, 39 U.S.C. 412, prohibits the disclosure to the public of a mailing or other list of names or addresses by any

means or for any purpose, "except as specifically provided by law." The Privacy Act, 5 U.S.C. 552a (n), prohibits the sale or rental of an individual's name and address, unless "specifically authorized by law." It is arguable that either or both of these provisions would prohibit postal employees from collecting name and address information for the purpose of providing it to the Census Bureau. Specific statutory authority would be needed to remove any doubt as to the lawfulness of the activity.

UNION

Because implementation of this proposal would clearly involve the Union/Management Collective Bargaining Agreements that cover wages, hours, and working conditions, the viewpoint of both the National Association of Letter Carriers and the National Rural Letter Carriers Association would be crucial. Neither union has expressed support for this proposal. It is possible that an agreement would need to be ratified by the unions prior to implementation.

PRIVACY OF POSTAL CUSTOMERS

It is a major concern of the USPS that if this proposal were implemented, the public would associate the USPS with the collection and reporting of personal data to others. It is the nature of USPS business to deliver personal items to people's homes. These items can include anything from stocks, bonds and financial statements, special interest publications, late payment and/or legal notices, to airline tickets, catalog merchandise and regular correspondence. The USPS has traditionally guarded this personal information carefully and is known for its integrity in this matter. Broadly enlisting the letter carriers as census takers would risk identifying the USPS, in the minds of the public, as a collector of personal information for other governmental agencies. It would be easy for the public to draw the conclusion that the USPS might provide personal information about them to credit companies, the IRS or citizen associations. It is possible that postal customers would feel uncomfortable with supplying personal information about themselves to a letter carrier who delivers their mail every day and who may be viewed as knowing too much about them already.

CONCLUSION

Our agencies have discussed at length the feasibility and acceptability of having USPS letter carriers conduct actual data collection by following up on households that do not return census questionnaires. Our conclusion is that the best way to use the expertise of USPS letter carriers is not through the collection of actual census data, but rather to use their knowledge for the development of a complete and accurate address list, for the delivery and return of census questionnaires, and to assist in the identification of vacant housing. We will continue exploring the feasibility of other ideas aimed at utilizing local letter carrier knowledge to support and improve the 2000 census.

Attachment 1

THE ROLE OF THE USPS IN THE 1990 CENSUS

The USPS conducted or participated in various activities to support the 1990 decennial census. These are described below.

- ADVANCE POST OFFICE CHECK (APOC)

The USPS verified and updated the census address list in three phases:

* For most major urban centers, the Census Bureau purchased commercial mailing lists, assigned the addresses to census geography, and sent the list to the USPS for verification. The USPS letter carriers checked each address on their routes, made corrections, identified duplicate and undeliverable addresses, and added missing addresses. This operation, called the Advance Post Office Check (APOC) I, was conducted in the Fall of 1988.

* For most medium and small towns and dense rural areas, the Census Bureau compiled an initial address list by having census workers canvass the area to record mailing addresses and physical locations. This information was keyed and sent to the USPS letter carriers for verification and correction as described above. These checks were carried out in two phases--APOC II in February 1989 and APOC III in April 1989.

During the three APOC phases, the USPS letter carriers verified the accuracy and completeness of about 75 million addresses.

- CENSUS ADDRESS CHECK (CAC)

The USPS letter carriers reviewed Census Bureau addresses again during the CAC in February and early March 1990, just before Census Day (April 1, 1990). As in the APOC operations, addresses were checked to identify missing, duplicate, and undeliverable addresses. In this operation, the USPS letter carriers checked about 88.5 million addresses.

- AUTOMATED SORTING OF MAIL RETURNS

Questionnaires were returned to either a designated district office (approximately 346 received mail returns directly) or to one of seven processing offices for tabulation. To help ensure the timely and efficient return of the census questionnaires, the USPS assigned a unique ZIP+4 code for each census office. The Census Bureau printed these codes on the return envelopes and postal facilities sorted the returns using their automated equipment to read the codes. A USPS contact person was

established at each sorting facility to serve as a liaison with the census offices. Arrangements for the timing and logistics of the delivery of the sorted mail returns were coordinated at the local level by USPS and Census Bureau personnel.

- DELIVERABILITY CHECKS FOR SEARCH/MATCH OPERATIONS

Several 1990 coverage improvement operations (such as the "Were You Counted?" Program and the Parolee/Probationer Program) resulted in census questionnaires that required matching to the census address list. Over 3 million forms were processed through a Search/Match Operation in an effort to ensure the correct enumeration of persons at their usual residence. If the address on the form could not be matched to the census address list, the address was sent to the USPS for verification. Addresses (and associated persons) classified as deliverable by the USPS were then added to the census.

- CENSUS CLOSEOUT ADDRESS CHECK (CCAC)

In the 1990 census, the USPS and Census Bureau implemented an operation called the Census Closeout Address Check. During the final days of the Nonresponse Follow-up Operation, targeted district offices were instructed to utilize the USPS to obtain information about unenumerated addresses. These district offices provided an address card for each unenumerated address to USPS officials asking for a limited amount of information about the household (type of structure, occupancy status on census day, and number of occupants on census day). For legal reasons, the USPS letter carriers were asked to provide the information using only their own knowledge, and not based on information from mail addressed to the unit.

Because the operation was conceived and implemented late in the 1990 census process, it did not undergo complete testing during the planning cycle nor did it have the rigorous administrative control that characterized other census operations. Only the most difficult cases were sent to the USPS for information. The results of this operation were that 142,356 address cards were sent to the USPS and 35,078 were returned. Only 17% of the returned cards provided the number of census day occupants. We need to do much more controlled research to determine the extent to which USPS letter carriers could supply basic information about members of households.

MEMORANDUM OF UNDERSTANDING
BETWEEN
U.S. BUREAU OF THE CENSUS
AND
U.S. POSTAL SERVICE

I. GENERAL

A. Purpose

This memorandum sets forth an agreement between the U.S. Bureau of the Census (Census Bureau) and the U.S. Postal Service (Postal Service) for a limited test of Postal Service matching and correction of selected Census Bureau address files.

B. Background

With the encouragement of the Subcommittee on Census, Statistics and Postal Personnel of the House Committee on Post Office and Civil Service, the Census Bureau and the Postal Service are exploring the possibility of sharing address information on a long-term basis to their mutual benefit. Anticipated benefits of that long-term cooperative effort include: an improved linkage between Census Bureau data and Postal Service geography, leading to a better understanding of the data each maintains associated with that geography; cleaner addresses on Census Bureau mailings; improved Census Bureau file accuracy and completeness; field verification of selected Postal Service address files; and incorporation of geographical coordinates in Postal Service files.

C. Authority

This agreement is entered into pursuant to 39 U.S.C. § 411, which provides:

> Executive agencies . . . are authorized to furnish property, both real and personal, and personal and nonpersonal services to the Postal Service, and the Postal Service is authorized to furnish property and services to them. The furnishing of property and services under this section shall be under such terms and conditions, including reimbursability, as the Postal Service and the head of the agency concerned shall deem appropriate.

II. SPECIFIC TERMS AND CONDITIONS

A. Selection of Address Files

Initially, five 3-digit ZIP Code areas shall be selected for testing. These 3-digit areas shall be mutually agreed upon, with three areas to be selected by the Postal Service and two areas to be selected by the Census Bureau. Areas shall be selected to represent a variety of different address situations.

During the course of the test, additional address files may be selected for testing, not to exceed three additional 3-digit areas. The number of additional files and the method of selection for any such

address files shall be mutually determined by the Postal Service and the Census Bureau.

B. Furnishing of Selected Files to Postal Service

For the selected 3-digit ZIP Code areas, the Census Bureau shall provide its address files to the Postal Service at the following address:

Don Nichols
National Customer Support Center
US Postal Service
6060 Primacy Pky Ste 101
Memphis TN 38188-0001

C. Information Returned

1. The Postal Service shall return to the Census Bureau the following information:

A total count of Postal Service addresses for each 5-digit ZIP Code area within the test area.

A total count of Census Bureau addresses for each 5-digit ZIP Code area within the test area.

The complete and standardized address for each Census Bureau address that can be matched against the Postal Service's files.

Identification of those Census Bureau addresses that cannot be successfully matched against the Postal Service's files, together with diagnostic information indicating address problems that are identified through the matching process.

For each 5-digit ZIP Code area for which the Postal Service determines that the Census Bureau file meets the 90% completeness requirement of Domestic Mail Manual (DMM) A920.4.0, the complete and standardized address for each Postal Service address that is not included in the Census Bureau file.

2. Additionally, if the Postal Service determines that the Census Bureau file meets the 90% completeness requirement of DMM A920.4.0 when evaluated for the sum of the five 3-digit ZIP Code areas selected (rather than by individual 5-digit ZIP Code area), the Postal Service shall provide the complete and standardized address for each Postal Service address that is not included in the Census Bureau file for all five 3-digit areas.

3. If the Census Bureau file does not meet the 90% requirement as described in paragraph 2. above, the Postal Service shall identify the range of missing addresses and the number of missing addresses for all Postal Service addresses that are not included in the Census Bureau's file, for each 5-digit ZIP Code area for which the Postal Service determines that the Census Bureau file does not meet the 90% completeness requirement of DMM A920.4.0.

4. The Postal Service shall identify each address or address range provided under paragraphs 1., 2., and 3. above as residential, business (including other non-residential), or vacant, as appropriate.

5. The Postal Service shall attempt to return the above information, in a format mutually agreed upon, to the Census Bureau within 45 days after receipt of address files in accordance with section II.B. If the Postal Service is unable to meet this 45 day target, it shall notify the designated representative of the Census Bureau (see section VI.B. below) of the reason for delay.

D. Correction of Maps

Stage 1: Upon receipt of the information set forth in section II.C. above, the Census Bureau shall produce scale maps for a sample of the areas covered by the Census Bureau files for which information was returned, with the size of the sample to be mutually agreed upon between the parties. Each map shall be accompanied by a list of the street information for which the Census Bureau desires correction. With the maps, the Census Bureau shall provide the corresponding segments of the TIGER file showing longitudinal and latitudinal information for all feature intersections and endpoints shown on the maps.

Stage 2: The Postal Service shall correct the maps provided by the Census Bureau by sketching in the locations of the street information for which corrections were requested and annotating those street locations with the appropriate ZIP+4 add-on codes and address ranges. The Postal Service shall return a copy of the corrected maps to the Census Bureau. The Postal Service shall be permitted to retain the TIGER file segments and copies of the maps for analysis.

The Postal Service and the Census Bureau shall attempt to complete each stage of the map correction process (Stages 1 and 2) within 45 days after receipt of the information specified for commencement of that stage. If either party is unable to meet this 45 day target, it shall notify the designated representative of the other party (see section VI.B. below) of the reason for delay.

The maps and TIGER file segments described in this section shall not be considered confidential information and are not subject to the nondisclosure restrictions of section III below.

D. Permitted Use of Address Information

Each party may use the information furnished by the other party pursuant to this agreement for purposes of analysis, subject to the nondisclosure provisions specified in part III.

III. NONDISCLOSURE OF ADDRESS INFORMATION

A. Nondisclosure of Census Bureau Files.

The following procedures, and the specific procedures set forth in the attached letter from Michael Murphy to Dan Sweeney, shall be followed to ensure the nondisclosure of any address files submitted by the Census Bureau to the Postal Service:

The Census Bureau shall identify those types of access to Census Bureau files which raise issues of confidentiality of information (hereinafter "access").

The Postal Service shall furnish the names of all Postal Service and Postal Service contractor employees who shall have access to Census Bureau files.

The Postal Service and the Census Bureau shall take the necessary steps to make the persons identified by the Postal Service Special Sworn Employees of the Census Bureau, with an appointment for six months or less, for the purpose of handling Census Bureau files.

The Postal Service shall take all reasonable steps to ensure that once the Census Bureau's address files arrive at the National Customer Support Center (NCSC), access to those files is restricted to Special Sworn Employees of the Census Bureau.

The Postal Service shall ensure that any address information provided by the Census Bureau pursuant to this agreement remains segregated from Postal Service address files.

The Postal Service shall not disclose to unauthorized persons any address files provided to it by the Census Bureau pursuant to this agreement and shall take all reasonable steps to protect against such disclosure.

By November 30, 1993, the Postal Service shall destroy or return all address files submitted by the Census Bureau, at the option of the Census Bureau. The Postal Service shall not retain whole or partial copies of any such files.

The Census Bureau may, at its option, perform an audit to verify compliance with the nondisclosure provisions specified herein.

B. Nondisclosure of Postal Service Files

The following measures shall be taken to ensure the nondisclosure of any address information returned by the Postal Service to the Census Bureau.

The Census Bureaus shall not disclose to unauthorized persons any address information provided by the Postal Service pursuant to this agreement and shall take all reasonable steps to protect against such disclosure.

The Census Bureau shall ensure that any address information provided by the Postal Service pursuant to this agreement remains segregated from Census Bureau address files.

Within 30 days after termination of this agreement, the Census Bureau shall destroy or return all address files furnished by the Postal Service, at the option of the Postal Service. The Census Bureau shall not retain whole or partial copies of any such files.

The Postal Service may, at its option, perform an audit to verify compliance with the non-disclosure provisions specified herein.

IV. REIMBURSEMENT

All property and services furnished pursuant to this agreement shall be furnished without reimbursement.

V. MODIFICATION AND TERMINATION

A. This agreement may be modified only by mutual agreement of the Census Bureau and the Postal Service through their designated representatives in writing.

B. Either party may terminate this agreement at will by written notice from the designated representative of that party to the designated representative of the other party. Termination shall be effective immediately upon receipt of such notice.

C. This agreement shall terminate automatically within six months after the first Census Bureau address file is transmitted to the Postal Service pursuant to this agreement.

D. Each party shall destroy or return all address files furnished to it by the other party in accordance with the nondisclosure provisions specified in part III.

VI. DESIGNATED REPRESENTATIVES:

A. For the purposes of section V of this agreement, the designated representative of the Postal Service shall be:

Paul S. Bakshi
Address Management, Customer Service Support
Room 5801
475 L'Enfant Plaza SW
Washington DC 20260-6802

B. For the purposes of section V of this agreement, the designated representative of the Census Bureau shall be:

Daniel J. Sweeney, Jr.
Geography Division
Bureau of the Census
5001 Silver Hill Rd
Suitland MD 20746-5215

VII. SIGNATURES AND EFFECTIVE DATE

The parties hereby agree to this Memorandum of Understanding, which shall be effective on the later date of the two dates shown below.

UNITED STATES BUREAU OF THE CENSUS

Robert W. Marx 8/16/93
(Signature and date)

ROBERT W. MARX
(Name)

Chief, Geography Division
(Title)

UNITED STATES POSTAL SERVICE

8/12/93
(Signature and date)

Robert G. Krause
(Name)

Manager, Address Management
(Title)

U.S. Postal Service
475 L'Enfant Plaza SW
Washington, DC 20260

August 26, 1993

ROBERT W MARX
CHIEF GEOGRAPHY DIVISION
BUREAU OF THE CENSUS
5001 SILVER HILL RD
SUITLAND MD 20746-5215

Dear Mr. Marx:

This is in response to your recent letter regarding the development of a file that will relate the Census Bureau's TIGER data with the Postal Service's AMS data.

I believe a joint effort of this nature would produce many long term benefits for the Census Bureau and the Postal Service. An up-to-date file that equates postal ZIP+4 codes to TIGER data would enable both agencies to improve customer service through more accurate and up-to-date products.

In view of the progress being made in our earlier joint project, we are looking forward to this additional work sharing agreement. I have asked Don Nichols, from the National Customer Service Center in Memphis, to contact Dan Sweeney in order to begin the technical discussions for this project.

Sincerely,

for Paul Bakshi

Robert G. Krause
Manager
Address Management

cc: Dan Sweeney, Census Bureau
Michael Murphy, NCSC
Paul Bakshi, Address Management
Don Nichols, NCSC
Mike Duncan, NCSC

Mr. HOLMES. This is a paraphrase on my part, but it's my understanding that the Postal Service suggested that having their employees collect census information would interfere with their job of delivering the mail; that it would be more costly. There were also, if I'm not mistaken, some issues that were associated with the union.

And yes, there was a report that was issued. I don't have a copy of it with me, but I'm sure we could get a copy of it for you, Mr. Waxman.

Mr. WAXMAN. Thank you. We would like to receive that report for the committee's record.

Several Members of Congress are particularly worried about the accuracy of the census in rural areas. Would there be a special problem of using Postal Service letter carriers to conduct the census in rural areas?

Mr. HOLMES. Yes, sir. It's my understanding that as part of this hearing, I think the president of the Rural Letter Carriers Association reiterated some of the same points that I just made. And there is a statement that we can get you that covers the concerns that he raised about—about their involvement.

[The information referred to follows:]

Mr. Chairman and members of the Subcommittee on Census, Statistics and Postal Personnel, we are pleased to have this opportunity to give our views on the role rural letter carriers may have in assisting the Census Bureau as it plans for the 2000 Census.

Rural letter carriers are privileged and proud to be public servants that have regular contact with their customers on a daily basis. Perhaps, we also have more daily contact with the public than any other member of the federal work force and probably the state, county and municipal work forces. Rural carriers welcome an opportunity to cooperate with another branch of the federal government, as that Bureau tries to execute their mandate.

Letter carriers' prime duty is providing service to our customers principally through the delivery of mail, but in the case of rural letter carriers, we provide any services that can be obtained through a Post Office. We sell stamps and money orders, accept parcels, express mail and perform customer service as a Post Office on wheels.

We are proud to say, today there are 52,000 rural routes that provide a full coverage of services daily. We serve 24 million customers a day and drive 2.7 million miles. As in the past, we are glad that the Postal Service and the Census Bureau have a cooperative agreement in doing the planning, and the NRLCA is pleased to be able to assist the Committee in their exploration of how we as a part of the Postal Service can assist them in their next enumeration.

Rural letter carriers believe they could be most helpful in address list completion. Rural letter carriers know almost all of their individual delivery areas. Rural letter carriers also must be familiar with addressing and delivery methods. Therefore, we believe we can be helpful in determining for the Census Bureau, vacant housing units. Postal management and rural carriers can be helpful in dealing with rural address problems which are unique to rural America. Thirdly, we believe that we can be helpful in determining occupancy status. And all of those can be done without any direct contact with individual households.

There is a larger question. Is there a more direct role for rural carriers in conducting the 2000 Census? It has been suggested by some that rural letter carriers could be helpful with households that don't return data. However, there are some natural road blocks which we should point out, to obtaining data without direct contact with those households: 1. Cluster boxes prevent rural letter carriers from having a direct knowledge of many households 2. In some rural communities there are long distances between the customer's house and their mail box 3. Current economic pressures require many households to become two income families. Because the majority of the people work during the day, there would be no one at home for the carrier to contact. In fact, the families sometimes choose to receive mail in a Post Office box

and thereby eliminate any contact with the rural carrier.

For the reasons stated above, the rural carrier would have no direct contact and limited knowledge of the customer. Obtaining the basic census information would therefore be a hit or miss proposition.

We also believe that the cost of using the full time rural carrier to do specific enumeration is a confiscatory proposition in that the average rural carrier is paid significantly more than the average 1990 Census enumerator who was paid about $7.50 an hour.

Secondly, there is the question of trust and privacy of Postal customers. The public now presumes that carriers handle their financial documents including bills, payments and legal notices with absolute confidentiality. In all of the customer satisfaction indexes, rural letter carriers rank very, very high with their Postal customers because today we protect their privacy and provide good service. We are somewhat fearful that if you used us as enumerators, that trust might be diminished at a time that we believe it's particularly crucial for the Postal Service to maintain a high degree of trust with its mailing public.

If, in spite of these reservations, the Census Bureau thought it was still advantageous to consider rural letter carriers to be used as enumerators, we have an alternative suggestion. The National Rural Letter Carriers Association represents about 45,000 backup employees. These are non-career employees who cover routes when the assigned carrier is absent. These backup employees are paid approximately $12 an hour, much closer to the $7.50 an hour that was paid in the 1990 Census for enumerators and much less than the full time carriers. These individuals could possibly be used over a period of time when they were not serving their routes as a replacement to the assigned carrier. A customer might feel more comfortable in that the interviewer is not the person delivering their mail daily, just the one that they see on Saturday or when they are serving as a leave replacement.

We believe that the best use of rural carriers for the 2000 Census is, not serving as enumerators, but rather by using their knowledge for the development of a complete and accurate address list and using their specialized knowledge of occupancy/vacancy information. If the Census Bureau desires to consider our leave replacements, we would be glad to explore that feasibility with the Postal Service and with the Census Bureau.

Mr. Chairman, that concludes my remarks, I would be pleased to answer any questions you or the committee might have.

Now I would be remiss if I did not thank you particularly, Chairman Sawyer, Mrs. Norton, Mr. Myers, Mr. Petri for your relentless determination to pass H.R. 4190, the leave replacement bill, into law. We are confident the President will sign it and are very, very greatful to you for all your efforts in our regards.

Mr. WAXMAN. I would like to ask if you would send that statement to us so that the chairman can consider putting it into the record.

Mr. MILLER. Without objection.

Mr. WAXMAN. Mr. Chairman, that completes the questions I have. I yield back the balance of my time.

Mr. MILLER. On behalf of the subcommittee, I want to thank you both for being here, Mr. Holmes, and we appreciate you, Mr. Shapiro, being here as well.

In case there are additional questions that the committee members have for our witnesses, I ask unanimous consent that the record remain open for 2 weeks to submit questions for the record, and then the witnesses submit written answers as soon as practicable.

Without objection, so ordered.

I also ask unanimous consent that all Members' or witnesses' opening statements be included in the record.

Without objection, so ordered.

The hearing is adjourned.

[Whereupon, at 3:10 p.m., the subcommittee was adjourned.]

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